CENTRAL STATISTICAL OFFICE

Economic Trends

ARTICLES

National income and expenditure in the third quarter 1976

A review of the effects of taxes and benefits on household incomes 1961-1975

No 279
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Release dates of economic statistics to be published in February 1977

This list is published by the Government Statistical Service as a guide to the dates of publication of major economic series in February. The dates are those which Departments, or other organisations concerned, are aiming at, and would normally expect to meet. Exceptionally, there may be a delay resulting from unavoidable statistical problems of collection and compilation. Further enquiries about individual series should be addressed to the source named.

Publication date	Series	Method of release	Source
February 1977			
Wed 2	Capital issues and redemptions during the month of January	PN	Bank of England
	UK official reserves (January)	PN	HM Treasury
Thurs 3	Quarterly estimates of employees in employment (September)	Gazette	D of Employment
	Stoppages of work due to industrial disputes (December)	Gazette	D of Employment
Mon 7	Wholesale prices index numbers (January–provisional)	PN	D of Industry
	Retail sales (December–final)	PN	D of Industry
	Hire purchase and other instalment credit business (December)	PN	D of Industry
Tues 8	CBI Industrial Trends Survey (January)	PN	CBI
	Provisional figures of vehicle production and estimates of new car registrations (January)	PN	D of Industry
Wed 9	UK bank's eligible liabilities, reserve assets, reserve ratios and special deposits (mid-January)	PN	Bank of England
	London clearing banks' monthly statement (mid-January)	PN	Ctte. LCB
	Central Government financial transactions (including borrowing requirement) (January)	PN	HM Treasury
	Slum clearance (4th qtr)	PN	D of the Environment
	Housing starts and completions (December)	PN	D of the Environment
	House renovation grants approved (December)	PN	D of the Environment
Thurs 10	Finished steel consumption and stock changes (4th qtr-provisional)	PN	D of Industry
Fri 11	Building societies receipts and loans (January)	PN	BSA
	Usable steel production (January)	PN	BSC/BISPA
Mon 14	Turnover of the catering trades (December)	PN	D of Industry
	Balance of payments current account and overseas trade figures (January)	PN	D of Trade/CSO
	Turnover of the motor trades (4th qtr)	PN	D of Industry
	Retail sales (January-provisional)	PN	D of Industry
Tues 15	Index of industrial production (December)	PN	CSO
Wed 16	Monthly index of average earnings (December)	PN	D of Employment
	Basic rates of wages and normal weekly hours (January)	PN	D of Employment
Thurs 17	Building societies: mortgage survey 5 per cent sample survey results (4th qtr)	PN	D of the Environment
	Consumers' expenditure (4th qtr-2nd preliminary estimate)	PN	CSO
Fri 18	Manufacturing industries' capital expenditure by regions (2nd qtr)	T and I	D of Industry
	Retail prices index (January)	PN	D of Employment
Sun 20	National savings monthly progress report (January)	PN	National Savings Ctte.
Mon 21	London dollar and sterling certificates of deposit (mid-January)	PN	Bank of England
	UK banks' assets and liabilities and the money stock (mid-January)	PN	Bank of England
	Preliminary estimate of gross domestic product based on output data (4th qtr)	PN	CSO
Tues 22	Unemployment (February-provisional)	PN	D of Employment
	Unfilled vacancies (February-provisional)	PN	D of Employment
Wed 23	New vehicle registrations (January)	PN	D of Transport
Thurs 24	Construction–new orders (December)	PN	D of the Environment
	Energy Trends	PN	D of Energy
	Manufacturers' and distributors' stocks (4th qtr-provisional)	PN	D of Industry
	Capital expenditure by the manufacturing, distributive and service industries (4th qtr-provisional)	PN	D of Industry
	Car and commercial vehicle production (January-final)	PN	D of Industry
Fri 25	Sales and orders in the engineering industries (November)	T and I	D of Industry
Mon 28	Bricks and cement production (January)	PN	D of the Environment

PN = *Press Notice* T and I = *Trade and Industry*

CENTRAL STATISTICAL OFFICE

Economic Trends

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Introduction

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

It contains three regular sections of tables and charts illustrating trends in the UK economy:

- 'Latest developments' presents the most up-to-date statistical information available during the month, together with a Calendar of current economic events. It is important to note that data included in this section may not be wholly consistent with other series shown in the publication which have gone to press earlier.
- The main section shows the movement of the key economic indicators over about the last 5 years. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base date for convenience of comparison.
- A further chart shows the movements of 4 composite indices over 19 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately movements in all of the 18 indicators which make up the composite indices.

In addition, quarterly articles on national accounts appear in the January, April, July, October issues and on balance of payments in the March, June, September, December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology. The regular 'Round-up' feature contains notes on relevant articles appearing in other government publications, news of developments in economic statistics and brief synopses of new publications.

Notes on tables

1. This issue contains information available to the CSO on 18 January in respect of the main tables and charts. The 'Latest developments' section may contain later information.

2. Statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.

3. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.

4. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.

New series

In this issue the table on page 36, National employment and unemployment has been changed to a United Kingdom basis. The table on page 50, Money stock has also been changed to include the sterling component of money supply. M_3. The corresponding columns on table 5 have also been changed.

Correction to December 1976 issue

On page 86, for Total investment and other capital flows, first quarter 1976, delete – 314 and insert – 269. On page 101, insert at the foot of the right hand column. 'The net effect of all direct taxes including income tax, is clearly to make disposable income more equally distributed than original income *plus* cash transfers'.

Symbols used:

..	not available or not meaningful
–	nil or less than half the final digit shown
§	series for which measures of variability are given on page 68
†	indicates that the series has been revised since last issue; the period marked is the earliest in the table to have been revised

Government Statistical Service

A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics divisions of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned. The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone 01-233 6135/6193.

Enquiries about orders and subscriptions should be made to the publisher, Her Majesty's Stationery Office, PO Box 569, London SE1 9NH. Telephone 01-928 6977.

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† Revised, for details see page 1

Latest developments in the economy[1]

Data available at 25 January 1977

Output

Latest estimates suggest that industrial output rose slightly during last autumn after changing little in the summer months. In the three-month period September to November 1976, the index of industrial production was about 1½ per cent above the level of the previous three months, but this comparison may overstate the increase due to distortions caused by changes in the incidence of industrial holidays at the end of May and beginning of June. Steel production in December was 22 per cent above the corresponding level in 1975. For 1976 as a whole, production was nearly 11 per cent higher than in 1975. Car output fell in December and was 9 per cent below the monthly average of 1975.

Housebuilding

In the three months ending November, housing starts in Great Britain were 18 per cent down on the previous three months and 21 per cent lower than a year earlier; total completions were up 3 per cent and down 3 per cent respectively over the same periods.

Consumers' expenditure

Preliminary estimates suggest that consumers' expenditure showed a small rise of about ¼ per cent between the third and fourth quarters of 1976. Within this there was a considerable rise in expenditure on alcoholic drink, but a fall in food expenditure. The early estimate of retail sales in December indicates a lower level of trade than in November; however the level of sales in the fourth quarter as a whole was close to that of the third quarter. New car registrations in December were below the November level but were 9 per cent higher in the fourth quarter than in the third quarter.

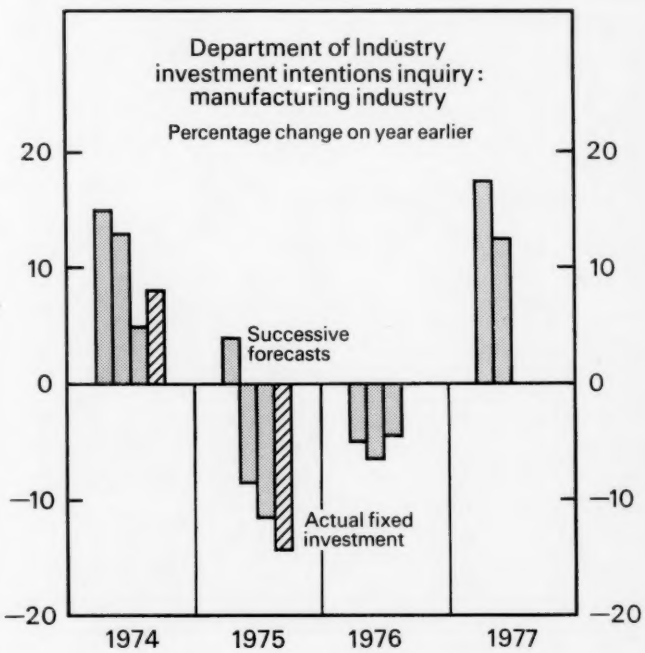
The volume of consumers' expenditure had risen by about 1 – 1½ per cent in the third quarter. Real personal disposable income in the same period rose by ½ – 1 per cent — principally as a result of tax rebates leading to a fall in the proportion of income saved.

Investment intentions

The latest Department of Industry survey indicates that investment by manufacturing industry in 1977 is likely to be 10 – 15 per cent higher, in real terms, than in 1976. This increase, which is lower than the rise suggested by the previous survey, nevertheless implies a rapid rate of growth during 1977. The forecast for 1978 is more tentative but suggests another strong increase which would take investment back to the order of magnitude experienced in 1970 and 1974 – over £2,000 million. The volume of investment by the distributive and service industries (excluding shipping) is also expected to rise in 1977 but the increase is unlikely to exceed 5 per cent. A further modest increase, possibly of similar magnitude, is indicated for 1978.

Stocks

There was little change in the level of manufacturers' stocks in the third quarter of 1976, and it continued unchanged in October. Retailers' stocks increased by £20 million in the third quarter and by a further £50 million in the first two months of the fourth quarter.



Financial position of industrial and commercial companies

The financial surplus of industrial and commercial companies declined in the six months ending September 1976 to £0·1 billion, but this consisted of a surplus of £0·4 billion in the second quarter followed by a deficit of £0·3 billion in the third quarter. In the previous six-month period ending March 1976, the surplus was £0·3 billion. The fall in the surplus between the two half-year periods is more than accounted for by increased outlays on fixed assets, particularly North Sea oil and gas installations.

Earnings and wage rates

The compilation of the average earnings indices for September, October and November has been delayed by industrial action (now ended) by some employees of the Department of Employment.

The index of basic weekly wage rates (not seasonally adjusted) rose by 0·4 per cent in December, mainly due to settlements in respect of certain workers employed in the National Health Service and licensed non-residential establishments. The year-on-year increase in the index was 11·7 per cent.

Prices (not seasonally adjusted)

The index of retail prices for December was 168·0 (January 1974=100). It had increased by 1·3 per cent since November and by 15·1 per cent since December 1975. The number of quotations used in compiling the December index was,

[1] All data are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

however, less than normal because of industrial action by some employees of the Department of Employment which has now been called off.

Wholesale prices index numbers for December suggest that the prices of home sales of manufactured products increased by 1¼ per cent over the previous month. The rate of inflation, measured over a 12-month period was unchanged at 17¾ per cent, after increasing for four successive months. The prices of materials and fuel purchased fell by ¼ per cent in December; this is the first decrease since February 1975. Improvements in the exchange rate of sterling against major foreign currencies have reduced the prices of many imported materials but these have been partially offset by the higher prices of home-produced and some imported commodities used by the food manufacturing industries.

Unemployment and vacancies

The number of unemployed in the United Kingdom (excluding school-leavers) in January was 1,345,000 (5·7 per cent of all employees). This was an increase of 40,000 on the last normal count in October, and of 15,000 on the published estimate for December, which was derived from information relating to just over half the country.

No new information is available on the number of vacancies notified to employment offices, as the count due on January 7 could not be made due to industrial action by certain Department of Employment staff which has since been called off.

Trade and balance of payments

In the fourth quarter of 1976, the deficit on visible trade was £1,029 million, compared with £1,166 million in the previous quarter. The volume of exports rose by 5 per cent, more than making good the fall in the third quarter, while the volume of imports increased by 1 per cent. The terms of trade index fell by 1½ per cent between the two quarters.

In December, the current account was estimated to have been in surplus by £21 million. The deficit on trade in goods was £179 million; the balance on services and other current transactions was estimated to have been running at a monthly surplus of about £200 million.

For 1976 as a whole, the current account deficit was estimated to have been £1,526 million compared with £1,656 million in 1975.

Money stock

The sterling component of the broader version of money stock (M_3) fell by ¼ per cent in December while the narrower version (M_1) rose by nearly 1 per cent. During the eight months since mid-April 1976, sterling M_3 has risen by about 7¾ per cent. Sterling lending to the private sector rose by about £170 million; this follows an average monthly rise of over £500 million in the previous three months. Sterling lending to the public sector fell by about £420 million.

Economic events

December

17 The OPEC countries agreed on a rise in oil prices of 10 per cent on 1 January, and a further 5 per cent in mid-1977. Saudi Arabia and the United Arab Emirates are to raise prices by only 5 per cent.

20 It was reported that nearly 4 million people had agreed wage settlements within the Stage II limits since July.
Talks were held in Paris on a stand-by facility for the sterling balances, and on the UK application for the IMF loan.

21 The OECD Working Party Three meeting in Paris, gave general approval to the UK's latest economic measures and would recommend that the necessary funds be made available to provide the IMF loan of $3·9 billion.
The Chancellor said during an economic debate in the House of Commons that the Government had sold a total of £4 billion of gilt-edged stock (net of redemptions) in the past 3 months.
The unemployment figure was estimated (because of an industrial dispute) to be 1·33 million adults (seasonally adjusted).

22 The Government is to finance the construction of a £12 million oil-drilling rig at Marathon Shipbuilders, Clydebank, saving over 1,000 jobs.

23 The Prime Minister said that the economic prospects for 1977 and 1978 were more cheerful. There was 'a break in the clouds'.
The latest OECD Economic Outlook forecast a weaker but moderate growth of the world economy in 1977, about 4 per cent for the OECD area as a whole.

24 Minimum lending rate was cut by ½ per cent to 14¼ per cent.

28 *The Guardian* and *Daily Express* were the only national newspapers published because of an industrial dispute.

29 The pound rose to its best level for three months, ending at $1·7055 (depreciation since December 1971 was 44 per cent).
In an interview with a German newspaper, the Chancellor expressed confidence of agreement on the next stage of pay policy, and on a solution to the sterling balances problem.

31 In a New Year message in the *Financial Times*, the Chancellor said that the foundations for economic growth in 1977 had now been laid.

1977

January

1 The UK assumed the presidency of the EEC Council of Ministers, and Mr Roy Jenkins was to take office as President of the EEC Commission.

4 The pound had a good day following the IMF's approval of the $3·9 billion loan to Britain, ending the day at $1·7085.
Mr Jack Jones of the Transport and General Workers Union called for hard work in 1977 – 'the year of the beaver'.

5 The membership of the committee chaired by Sir Harold Wilson, to review the functioning of financial institutions, was named.

6 A CBI policy document 'Programme for Action' was published. It called for a further year of pay restraint; lower taxation; greater cuts in public expenditure and a better trade performance.

7 President-elect Jimmy Carter announced a 2-year $30 billion package of measures to stimulate the US economy.
Minimum lending rate was cut by ½ per cent to 14 per cent.

10 At a meeting of central bankers in Basle, the Bank for International Settlements, backed by the major industrial countries, agreed to make a medium-term credit facility of $3 billion available to the Bank of England, as a 'safety net' security against withdrawal of foreign official sterling balances. The UK would also offer official holders of sterling securities in the form of foreign currency bonds.
Britain drew the first tranche of $1·15 billion of the IMF loan.
Wholesale prices fell by 1¼ per cent, the first fall in the index since February 1975.

11 The Chancellor gave details of the sterling balances 'safety net' agreement to the House of Commons.

12 It was reported that the Prime Minister was to take direct control of government policies on industrial strategy and the management of sterling.
The National Coal Board and the miners' union reached agreement on the claim for early retirement. Subject to the union's acceptance at a pithead ballot, the scheme will start on 1 August. Men with 20 years service could retire at 62, and at 60 after the scheme had been operated for 2 years.

13 The credit squeeze was relaxed by the Bank of England's decision to release about £1·1 billion which would otherwise have been held as special deposits.
The latest gilt-edged stock was heavily oversubscribed at issue.

14 A new government stock worth £1·25 billion, the largest ever single issue of gilt-edged stock, was issued.
NALGO is to impose a national ban on overtime in protest against the Government's expenditure cuts.

17 The latest trade figures showed a surplus of £21 million in the current account, the best figures since March 1976.

18 In a speech in Birmingham, the Chancellor called for better use of existing resources in industry.

20 Jimmy Carter was inaugurated as President of the US.
The CBI met the Chancellor to discuss the third stage of pay policy.

21 Minimum lending rate was cut by ¾ per cent to 13¼ per cent.

24 The Chancellor announced a new loan of $1·5 billion for seven years from the Euromarket to strengthen the reserves.

Selected monthly indicators[1]

	Seasonally adjusted						Unadjusted		Seasonally adjusted			
	1971 =100	Thousands	1970 =100	Thousands		Jan. 1970 =100	1970 =100	Jan. 1974 =100	£ million			
	Volume of retail sales (GB)[2,3] §	New registrations of cars (GB) §	Index of industrial production[4] §	Unemployment[5]†§	Vacancies[6]†§	Average earnings (all employees) (GB) §	Wholesale prices of materials and fuel[7]	General index of retail prices (all items)	Balance of payments current account: Exports (f.o.b.) §	Balance of payments current account: Imports (f.o.b.) §	Balance of payments current account: Current balance	Money stock sterling M_3[8]
1975 *F*	111·6	109·0	105·2	740·1	198·3	209·9	218·8	121·9	1,481	1,814		34,300†
M	109·5	97·1	103·5	760·5	194·3	212·8	221·9	124·3	1,542	1,655		34,340
A	120·0	95·1	101·5	798·3	180·8	215·4	222·9	129·1	1,379	1,729		34,780
M	103·7	94·6	99·8	850·3	163·3	217·7	226·2	134·5	1,611	1,693	−357	35,200
J	104·1	90·8	99·7	893·5	149·0	221·2	227·7	137·1	1,489	1,738		35,160 / 35,200
J	105·4	91·1	100·0	968·2	133·9	231·6	233·2	138·5	1,566	1,943		35,500
A	104·8	98·4	98·5†	997·4	135·9	234·0	241·4	139·3	1,485	1,886	−555	36,030
S	106·1	120·2	100·3	1,034·4	131·1	237·9	243·2	140·5	1,581	1,792		36,080
O	104·8	85·3	100·6	1,088·7	118·9	239·5	252·2	142·5	1,729	1,946		36,410
N	105·2	81·4	100·8	1,133·0	111·8	243·5	256·7	144·2	1,637	1,917	−295	36,240
D	107·0	86·6	99·8	1,174·6	110·1	248·6	259·5	146·0	1,760	1,945		36,110
1976 *J*	109·8	114·8	101·4	1,210·5	111·1	248·8	261·5	147·9	1,778†	1,964†		36,420
F	107·1	101·4	102·6	1,232·4	113·5	249·7	263·9	149·8	1,761	2,004	− 33	36,970
M	105·5	101·4	102·1	1,226·6	122·0	254·0	274·2	150·6	1,906	1,925		36,980
A	108·5	118·1	102·3	1,233·7	123·9	253·8	286·3	153·5	1,932	2,224		37,410
M	105·7	112·2	104·4	1,250·0	120·5	259·8	292·0	155·2	2,018	2,369	−533	37,680
J	106·1	87·5	100·4	1,255·7	114·3	258·3	299·6	156·0	2,070	2,395		37,810
J	108·3	87·0	101·3	1,294·6	117·6	263·0	302·0	156·3	1,959	2,474		38,430
A	108·9	115·5	100·5	1,309·4	127·5	267·7	304·0	158·5	2,049	2,333	−637	39,030
S	108·8	88·2	102·1	1,318·6	129·0	..[10]	314·4†	160·6	2,142	2,509		39,750
O	107·3	103·5	102·5	1,305·4	126·2[10]	..[10]	327·7†	163·5	2,231	2,572	−141†	40,090
N	109·3†	111·1†	102·6	..[12]	..[10]	..[10]	331·8[11]	165·8	2,225	2,734	−309	40,360
D	108·5[11]	102·2[11]		1,330·0	..	..[10]	330·7[11]	168·0	2,362	2,541	+ 21	40,230
1977 *J*				1,345·0	..							
Percentage change, latest three months on previous three months												
1976 *J*	−0·2	−10·7	−0·3†	+ 2·9	− 1·9	+ 3·2	+ 8·4	+ 3·0	+ 8·0†	+17·6†	..	+ 2·3†
A	+1·0	−12·6	−2·1	+ 4·0	− 1·9	+ 2·9	+ 6·2	+ 2·5	+ 3·8	+10·5	..	+ 2·9
S	+1·9	− 8·5	−1·0	+ 4·9	+ 4·3	..[10]	+ 6·0	+ 2·3	+ 2·2	+ 4·7	..	+ 3·8
O	+1·6	+ 7·2†	−0·3	+ 3·5	+ 8·6	..[10]	+ 5·9	+ 3·2	+ 6·2	+ 2·4	..	+ 4·4
N	+0·8†	+ 4·4	+1·7	..	..	..[10]	+ 7·5†	+ 4·1	+ 8·6	+ 8·5	..	+ 4·3
D	−0·3[11]	+ 9·0[11]		..	..	..[10]	+ 7·6[11]	+ 4·6	+10·7	+ 7·3	..	+ 3·0
Percentage change, latest three months on corresponding period of previous year												
1976 *J*	+2·2	+ 3·7	+2·2	+40·1	−21·0	+16·6	+30·1	+14·0	+29·6†	+34·7†	..	+ 7·6†
A	+2·8	+ 3·5	+1·3†	+35·0	−14·2	+15·0[11]	+28·9	+13·5	+33·9	+29·4	..	+ 8·0
S	+3·0	− 6·1	+1·7	+30·8	− 6·7	..[10]	+28·2	+13·7	+32·8	+30·2	..	+ 8·9
O	+2·9	+ 1·1	+1·9	+26·1	− 0·8	..[10]	+28·4	+14·3	+33·9	+31·8	..	+ 9·5
N	+2·9[11]†	+ 5·5†	+1·8	..	..	..[10]	+29·8†	+14·7	+33·4	+38·2	..	+10·6
D	+2·5[11]	+25·1[11]		..	..	..[10]	+28·9[11]	+14·9	+33·0	+35·1	..	+11·0

[1] Data given may not be wholly consistent with that shown elsewhere in the publication.
[2] This index is given to one decimal place but this does not imply that it can be regarded as accurate to the last digit shown.
[3] See footnote [2] on page 12.
[4] All industries covered.
[5] Unemployed excluding school-leavers.
[6] Vacancies notified to employment offices.
[7] Purchased by manufacturing industry.
[8] At mid-May 1975 new statistical returns were introduced. The first line of figures for mid-May and mid-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates.
[9] Estimate of 20 January 1975.
[10] Figure not available due to industrial action.
[11] Provisional.
[12] Owing to industrial action by some Department of Employment staff the provisional estimate is based on returns or estimates received from only just over half the country.

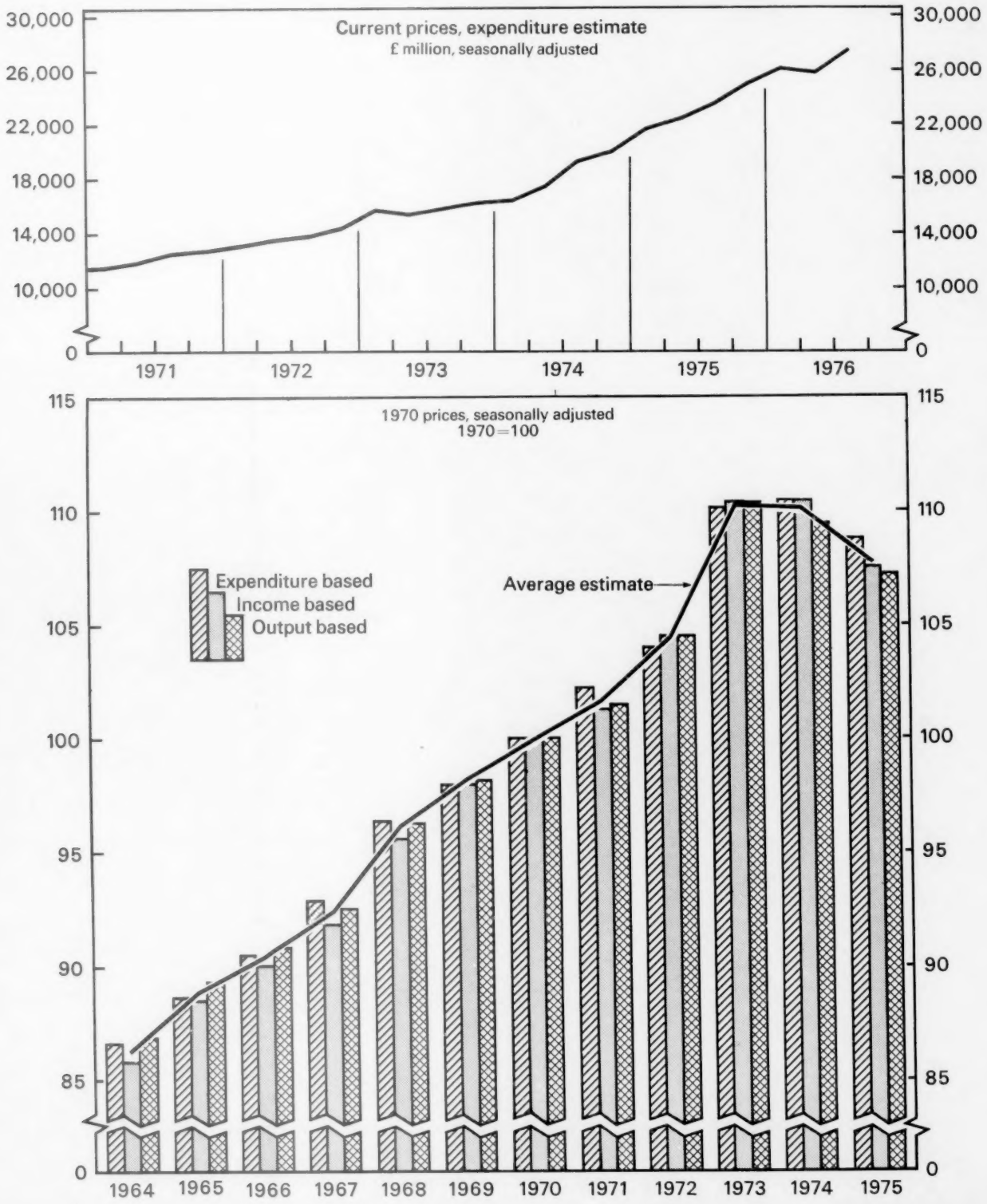
Tables and charts

Gross domestic product at factor cost[1] and national disposable income revalued at 1970 market prices[2]

Seasonally adjusted

	Gross domestic product at factor cost									National disposable income
	At current prices				At 1970 factor cost					At 1970 market price
	£ million		1970=100		£ million	1970=100				1970=100
	Based on:		Based on:		Based on:	Based on:				
	expenditure data	income data	expenditure data	income data	expenditure data	expenditure data §	income data[3] §	output data §	Average estimate §	Average estimate
1965	31,221	31,221	71·8	71·6	38,582	88·7	88·5	89·3	88·8	88·4
1966	33,105	32,969	76·1	75·7	39,370	90·5	90·0	90·9	90·5	90·2
1967	34,926	34,584	80·3	79·4	40,416	92·9	91·8	92·5	92·4	91·9†
1968	37,457	37,243	86·1	85·5	41,902	96·4	95·6	96·3	96·1	94·9
1969	39,483	39,598	90·8	90·9	42,600	98·0	98·0	98·2	98·1	97·2
1970	43,489	43,580	100·0	100·0	43,489	100·0	100·0	100·0	100·0	100·0
1971	49,071	48,690	112·8	111·7	44,488	102·3	101·3	101·5	101·7	102·2
1972	54,968	55,349	126·4	127·0	45,243	104·0	104·5	104·5	104·3	105·4
1973	63,471†	63,755	145·9	146·3	47,907†	110·2†	110·4	110·4†	110·3	110·3
1974	73,530	73,638	169·1†	169·0	48,053	110·5	110·4†	109·5	110·1†	105·2
1975	93,156	92,226	214·2	211·6	47,333	108·8	107·5	107·2	107·8	104·8
1971 *1*	11,550	11,480	106·2	105·4	10,859	99·9	99·1	100·2	99·7	100·7
2	11,992†	11,953	110·3	109·7	11,043	101·6	101·0	101·4	101·3	
3	12,639	12,485	116·3	114·6	11,296	103·9	102·4	101·9†	102·7†	103·6
4	12,890	12,772	118·6	117·2	11,290	103·8	102·7	102·5	103·0	
1972 *1*	13,170	12,840	121·1	117·9	11,090	102·0	99·3	101·3	100·9	104·4
2	13,562	13,683	124·7	125·6	11,375	104·6	105·4	104·6	104·9	
3	13,819	14,129	127·1	129·7	11,259	103·6	105·7	105·2	104·8	106·5
4	14,417	14,697	132·6	134·9	11,519	105·9	107·8	106·9	106·9	
1973 *1*	15,774†	15,338	145·1	140·8	12,190	112·1	108·8	110·5	110·5	110·9
2	15,435	15,780	142·0†	144·8	11,937†	109·8	112·0	109·8	110·5	
3	15,910	16,121	146·3	148·0	11,908	109·5	110·8	110·6	110·3	109·6
4	16,352	16,516	150·4	151·6	11,872	109·2†	110·1	110·7	110·0	
1974 *1*	16,520	15,979	151·9	146.7	11,686	107·5	103·9†	107·6	106·3	103·6†
2	17,520	17,503	161·1	160·7	12,111	111·4	111·2	110·0	110·9	
3	19,392	19,523	178·4	179·2	12,216	112·4	113·0	111·0	112·1	106·8
4	20,098	20,633	184·9	189·4	12,040	110·7	113·6	109·4	111·2	
1975 *1*	21,767	21,446	200·2	196·8	12,055	110·9	109·0	109·3	109·7	104·9
2	22,605	22,465	207·9	206·2	11,752	108·1	107·2	106·9	107·4	
3	23,637	23,627	217·4	216·9	11,663	107·3	107·0	106·1	106·8	104·6
4	25,147	24,688	231·3	226·6	11,863	109·1	106·9	106·5	107·5	
1976 *1*	26,057	25,185†	239·7	231·2	12,175	112·0	108·0	108·1	109·4	106·1
2	25,970	26,216	238·9	240·6	11,795	108·5	109·3	107·7	108·5	
3	27,410	26,792	252·1	245·9	11,973	110·1	107·4	108·0	108·5	
4										
	Percentage change, period on corresponding period of previous year									
1975 *1*	*+31·8*	*+34·2*	*+31·8*	*+34·2*	*+3·2†*	*+3·2†*	*+4·9†*	*+1·6†*	*+3·2†*	*+1·3*
2	*+29·0*	*+28·3*	*+29·0*	*+28·3*	*−3·0*	*−3·0*	*−3·6*	*−2·8*	*−3·2*	
3	*+21·9*	*+21·0*	*+21·9*	*+21·0*	*−4·5*	*−4·5*	*−5·3*	*−4·4*	*−4·7*	*−2·1†*
4	*+25·1†*	*+19·7*	*+25·1†*	*+19·7*	*−1·5*	*−1·5*	*−5·9*	*−2·6*	*−3·3*	
1976 *1*	*+19·7*	*+17·4†*	*+19·7†*	*+17·5†*	*+1·0*	*+1·0*	*−0·9*	*−1·1*	*−0·3*	*+1·1*
2	*+14·9*	*+16·7*	*+14·9*	*+16·7*	*+0·4*	*+0·4*	*+2·0*	*+0·8*	*+1·0*	
3	*+16·0*	*+13·4*	*+16·0*	*+13·4*	*+2·7*	*+2·7*	*+0·4*	*+1·8*	*+1·6*	*+1·0*
4										

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Introduced in an article on page xxviii *Economic Trends* January 1975.
[3] Income data deflated by the price index implied by estimates based on expenditure data.


Current prices, expenditure estimate
£ million, seasonally adjusted
30,000
26,000
22,000
18,000
14,000
10,000
0
1971
1972
1973
1974
1975
1976
1970 prices, seasonally adjusted
1970=100
115
110
105
100
95
90
85
0
Expenditure based
Income based
Output based
Average estimate
1964
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975

Expenditure on the gross domestic product

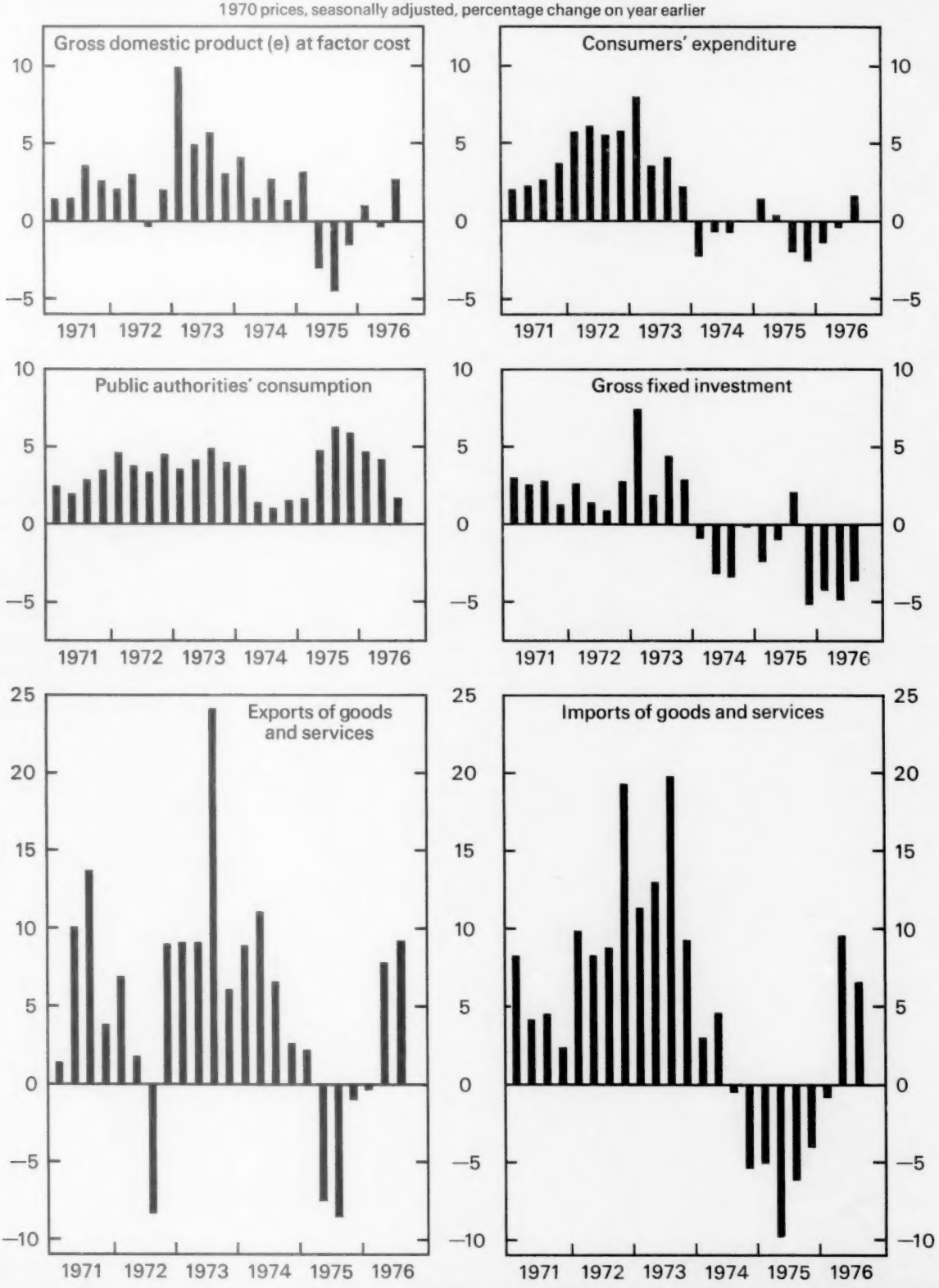
Seasonally adjusted

£ million, 1970 prices

	Gross domestic product at factor cost (expenditure based)	Final expenditure on goods and services at market prices							
		Total	Consumers' expenditure§	Public authorities' consumption	Gross fixed investment§	Stockbuilding§	Exports of goods and services§	Imports of goods and services§	Adjustment to factor cost
1964	37,678	52,936	28,330	8,138	7,541	936	7,991	8,487	6,771
1965	38,582	53,950	28,705	8,357	7,900	616	8,372	8,570	6,798
1966	39,370	55,068	29,255	8,595	8,097	420	8,701	8,780	6,918
1967	40,416	56,901	29,876	9,075	8,780	368	8,802	9,370	7,115
1968	41,902	59,234	30,627	9,103	9,182	504	9,818	10,054	7,278
1969	42,600	60,209	30,826	8,960	9,216	468	10,739	10,357	7,252
1970	43,489	61,909	31,644	9,095	9,453	442	11,275	10,887	7,533
1971	44,488	63,711	32,505	9,344	9,681	99	12,082	11,406	7,817
1972	45,243	66,386	34,402	9,725	9,870	39	12,350	12,727	8,416
1973	47,907†	71,290†	35,935	10,131	10,279	1,127	13,818†	14,412†	8,971
1974	48,053	71,427	35,612	10,325	10,087	604	14,799	14,490	8,884
1975	47,333	69,682	35,374	10,807	9,967	−699	14,233	13,566	8,783
1971 *1*	10,859	15,574	7,932	2,303	2,373	125	2,841	2,835	1,880
2	11,043	15,839	8,070	2,330	2,434	− 76	3,081	2,874	1,922
3	11,296	16,098	8,203	2,347	2,432	11	3,105	2,817	1 985
4	11,290	16,200	8,300	2,364	2,442	39	3,055	2,880	2,030
1972 *1*	11,090	16,258	8,391	2,410	2,436	− 15	3,036	3,115	2,053
2	11,375	16,610	8,563	2,418	2,469	24	3,136	3,111	2,124
3	11,259	16,399	8,663	2,426	2,455	8	2,847	3,066	2,074
4	11,519	17,119	8,785	2,471	2,510	22	3,331	3,435	2,165
1973 *1*	12,190	17,903	9,060	2,497	2,617	418	3,311	3,468	2,245
2	11 937†	17,670†	8,874	2,520	2,516	336	3,424†	3,515†	2,218
3	11,908	17,831	9,015	2,544	2,562	176	3,534	3,673	2,250
4	11,872	17,886	8,986	2,570	2,584	197	3,549	3,756	2,258
1974 *1*	11,686	17,539	8,853	2,592	2,594	−105	3,605	3,582	2,271
2	12,111	17,926	8,814	2,555	2,436	321	3,800	3,684	2,131
3	12,216	18,099	8,956	2,571	2,476	330	3,766	3,660	2,223
4	12,040	17,863	8,989	2,607	2,581	58	3,628	3,564	2,259
1975 *1*	12,055	17,714	8,989	2,638	2,533	−126	3,680	3,398	2,261
2	11,752	17,234	8,851	2,677	2,460	−269	3,515	3,320	2,162
3	11,663	17,268	8,776	2,732	2,528[1]	−214	3,446	3,434[1]	2,171
4	11,863	17,466	8,758	2,760	2,446	− 90	3,592	3,414	2,189
1976 *1*	12,175	17,773	8,876†	2,762†	2,427†	38†	3,670	3,366	2,232†
2	11,795	17,606	8,812	2,787	2,343	−118	3,782	3,635	2,176
3	11,973	17,874	8,928	2,778	2,436[1]	− 30	3,762	3,657	2,244
4									
		Percentage change, quarter on corresponding quarter of previous year							
1975 *1*	*+3·2†*	*+1·0†*	*+1·5*	*+1·8*	*−2·4*	..	*+2·1†*	*− 5·1†*	*−0·4*
2	*−3·0*	*−3·9*	*+0·4*	*+4·8*	*+1·0*	..	*−7·5*	*− 9·9*	*+1·5*
3	*−4·5*	*−4·6*	*−2·0*	*+6·3*	*+2·1*	..	*−8·5*	*− 6·2*	*−2·3*
4	*−1·5*	*−2·2*	*−2·6*	*+5·9*	*−5·2*	..	*−1·0*	*− 4·2*	*−3·1*
1976 *1*	*+1·0*	*+0·3*	*−1·3†*	*+4·7†*	*−4·2†*	..	*−0·3*	*− 0·9*	*−1·3†*
2	*+0·4*	*+2·2*	*−0·4*	*+4·1*	*−4·8*	..	*+7·6*	*+ 9·5*	*+0·6*
3	*+2·7*	*+3·5*	*+1·7*	*+1·7*	*−3·6*	..	*+9·2*	*+ 6·5*	*+3·4*
4									

[1] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.

1970 prices, seasonally adjusted, percentage change on year earlier



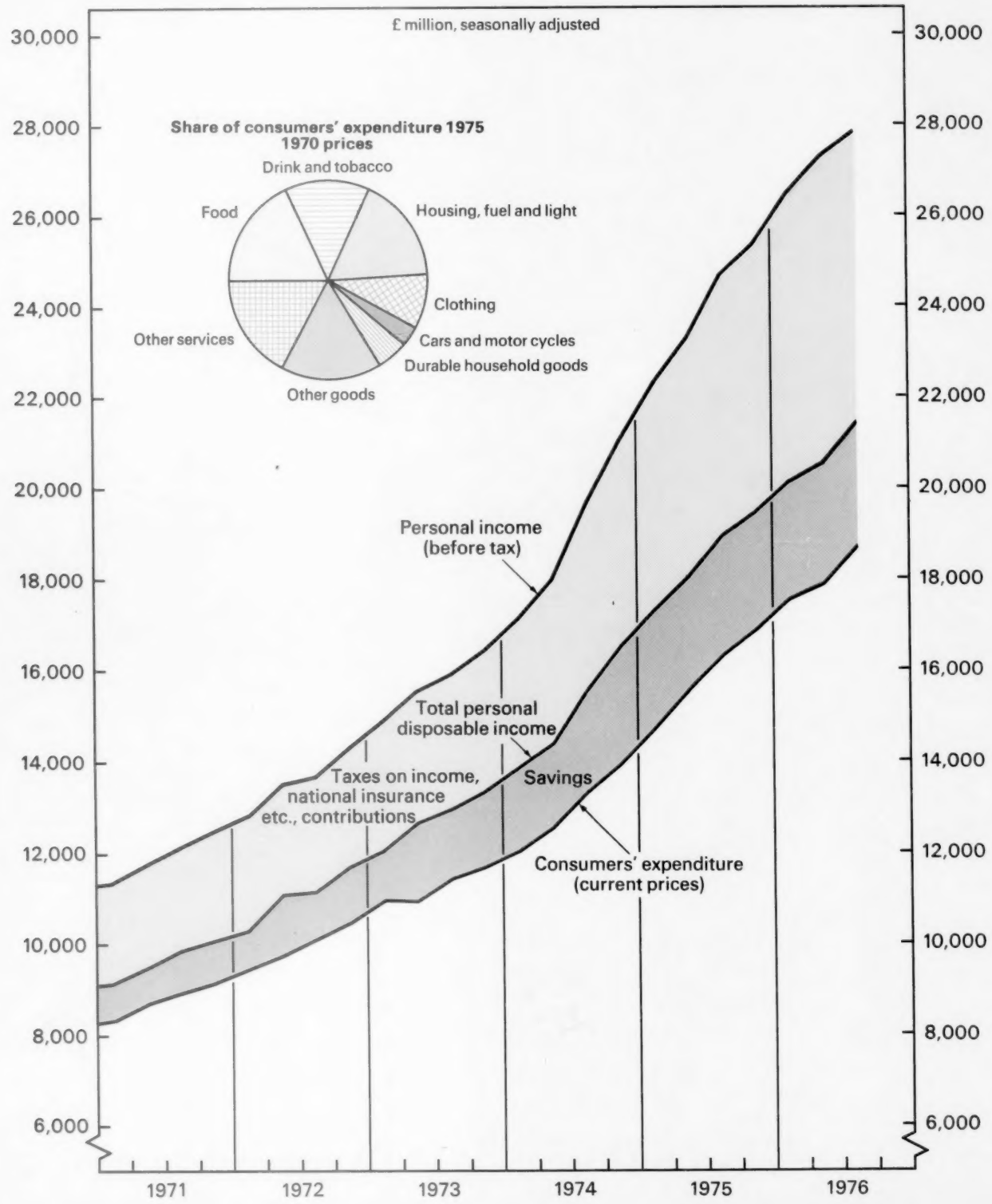
Personal disposable income and consumption

	Seasonally adjusted							
	£ million, current prices				Percentage	1970 prices		
	Personal income before tax							
	Total[1]	*of which:* Wages and salaries	Total personal disposable income[2]	Consumers' expenditure	Personal savings ratio[3]	Real personal disposable income[4] £ million §	1970=100	Real consumers' expenditure § £ million
1965	30,083	19,111	25,074	22,845	8·9	31,506	90·6	28,705
1966	32,190	20,389	26,655	24,211	9·2	32,208	92·6	29,255
1967	33,840	21,173	27,798	25,428	8·5	32,661	93·9	29,876
1968	36,463	22,566	29,701	27,338	8·0	33,274	95·7	30,627
1969	39,113	24,188	31,663	29,102	8·1	33,539	96·5	30,826
1970	43,323	26,994	34,766	31,644	9·0	34,766	100·0	31,644
1971	47,744	29,691	38,454	35,165	8·6	35,545	102·2	32,505
1972	54,228	33,163	44,229	39,716	10·2	38,311	110·2	34,402
1973	62,775	38,079	50,954	45,044	11·6	40,650	116·9	35,935
1974	75,850	45,900	60,300†	51,832	14·0	41,430†	119·2	35,612
1975	95,700	59,292	73,734	63,373	14·1†	41,157	118·4	35,374
1972 *1*	12,800	7,812	10,269	9,426	8·2	9,143	105·2	8,391
2	13,493	8,215	11,079	9,751	12·0	9,730	111·9	8,563
3	13,629	8,402	11,171	10,111	9·5	9,572	110·1	8,663
4	14,306	8,734	11,710	10,428	10·9	9,866	113·5	8,785
1973 *1*	14,864	8,963	12,029	10,976	8·8	9,934	114·3	9,060
2	15,586	9,461	12,663	10,966	13·4	10,249	117·9	8,874
3	15,900	9,702	12,936	11,414	11·8	10,220	117·6	9,015
4	16,425	9,953	13,326	11,688	12·3	10,247	117·9	8,986
1974 *1*	17,171	10,192	13,832†	12,014	13·1	10,199†	117·3	8,853
2	18,000	10,924	14,391	12,579	12·6	10,090	116·1	8,814
3	19,628	11,872	15,544	13,313	14·4†	10,463	120·4	8,956
4	21,051	12,912	16,533	13,926	15·8	10,678	122·9†	8,989
1975 *1*	22,314	13,963	17,359	14,686	15·4	10,620	122·2	8,989
2	23,319	14,460	18,023	15,572	13·6	10,239	117·8	8,851
3	24,683	15,287	18,927	16,282	14·0	10,197	117·3	8,776
4	25,384	15,582	19,425	16,833	13·3	10,101	116·2	8,758
1976 *1*	26,450†	16,059†	20,186	17,553†	13·0	10,207	117·4	8,876†
2	27,276	16,668	20,583	17,874	13·2	10,148	116·8	8,812
3	27,838	17,060	21,438	18,735	12·2	10,216	117·5	8,928
4								

[1] Before providing for depreciation and stock appreciation.
[2] Before providing for depreciation, stock appreciation and additions to tax reserves.
[3] Personal saving as a percentage of personal disposable income.
[4] Personal disposable income revalued by the implied consumers' expenditure deflator (1970=100).

Real consumers' expenditure — component categories

	Seasonally adjusted									
	£ million, 1970 prices									
	Total §	Food	Alcoholic drink and tobacco	Housing	Fuel and light	Clothing including footwear	Durable household goods	Cars and motor cycles	Other goods	Other services
1965	28,705	6,094	3,537	3,528	1,371	2,426	1,307	836	4,030	5,576
1966	29,255	6,187	3,664	3,625	1,387	2,425	1,273	833	4,230	5,631
1967	29,876	6,239	3,752	3,763	1,393	2,464	1,327	916	4,435	5,587
1968	30,627	6,277	3,851	3,899	1,432	2,599	1,421	975	4,642	5,531
1969	30,826	6,273	3,873	4,028	1,485	2,643	1,374	870	4,694	5,586
1970	31,644	6,375	4 019	4,101	1,495	2,757	1,438	997	4,782	5,680
1971	32,505	6,374	4,112	4,205	1,480	2,806	1,567	1,329	4,927	5,705
1972	34,402	6,342	4,389	4,308	1,534	2,975	1,864	1,594	5,398	5,998
1973	35,935	6,397	4 848	4,414	1,574	3,129	2,062	1,538	5,805	6,168
1974	35,612	6,431	4,920	4,463	1,616	3,104	1,932	1,110	5,878	6,158
1975	35,374	6,418	4,837	4,493	1,595	3,161	1,864	1,100	5,770	6,136
1975 *1*	8,989	1,592	1,243	1,128	419	812	500	280	1,463	1,552
2	8,851	1,583	1,195	1,121	403	788	504	268	1,448	1,541
3	8,776	1,620	1,195	1,121	383	789	424	312	1,424	1,508
4	8,758	1,623	1,204	1,123	390	772	436	240	1,435	1,535
1976 *1*	8,876†	1,600†	1,162	1,129†	421†	794†	467	324†	1,468†	1,511†
2	8,812	1,606	1,226†	1,128	375	788	460	282	1,455	1,492
3	8,928	1,636	1,235	1,136	372	819	495	308	1 449	1,478
4										


£ million, seasonally adjusted
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
Share of consumers' expenditure 1975
1970 prices
Drink and tobacco
Food
Housing, fuel and light
Clothing
Other services
Cars and motor cycles
Durable household goods
Other goods
Personal income
(before tax)
Total personal
disposable income
Taxes on income,
national insurance
etc., contributions
Savings
Consumers' expenditure
(current prices)
1971
1972
1973
1974
1975
1976

Retail sales, new registrations of cars and hire purchase debt (Great Britain)

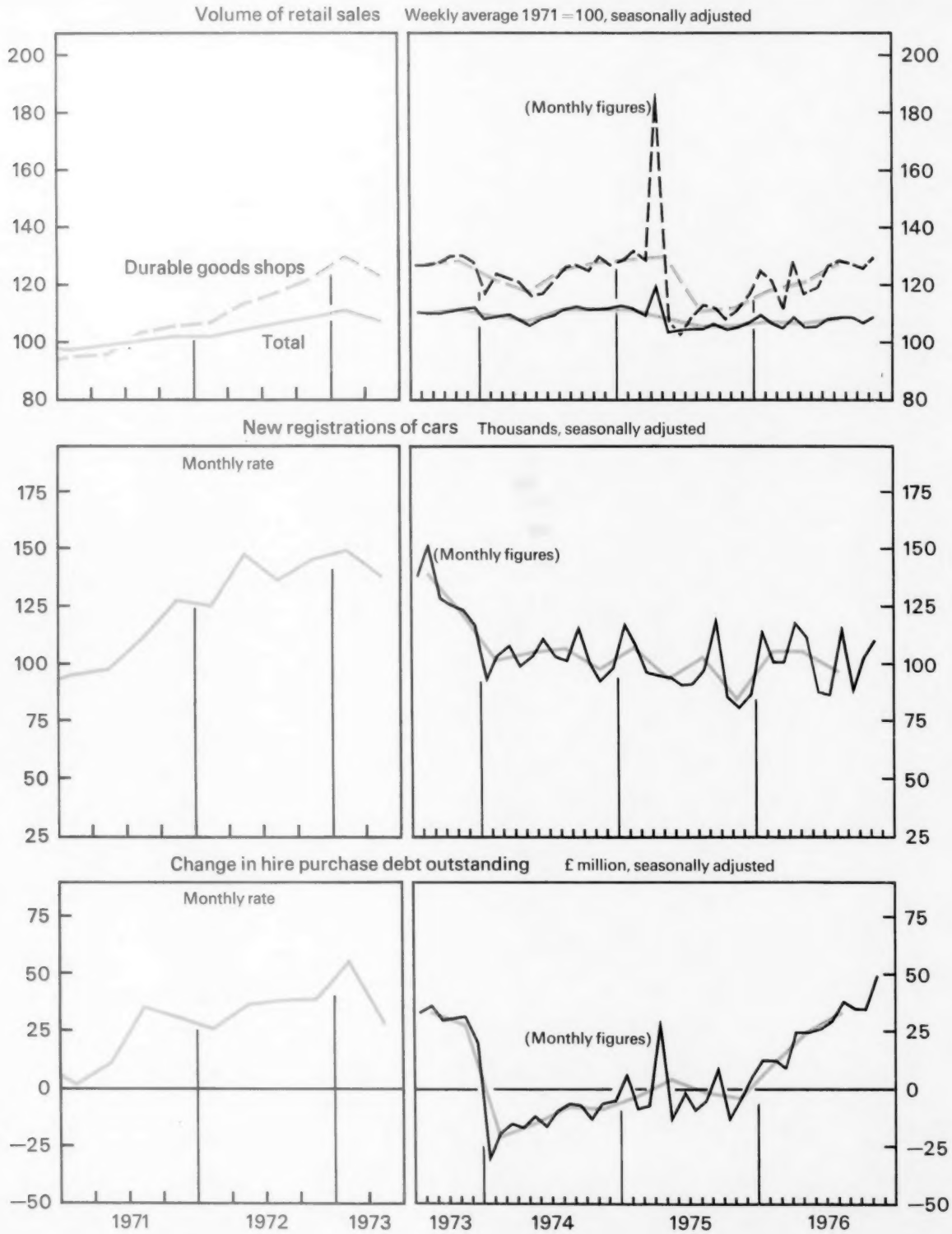
	Seasonally adjusted								
	Weekly average 1971=100						Thousands[1]	£ million	
	Value of retail sales[2]	Volume of retail sales[2]						Hire purchase and other instalment credit[3,4]	
	Total[6] §	Total[6] §	Food shops[6] §	Clothing and footwear shops §	Durable goods shops §	Other non-food shops §	New registrations of cars §	New credit extended	Changes in debt outstanding
Sales in 1971 £ million[5]	*15,895*	*15,895*	*6,693*	*2,314*	*1,801*	*5,087*			
1965	69·7	91·7	96·7	93	85	87	93·5	1,590	+121
1966	72·7	92·9	98·3	93	84	89	88·8	1,450	−135
1967	75·3	94·7	99·5	93	87	92	93·1	1,556	− 40
1968	80·4	97·3	100·5	96	92	96	93·1	1,643	+ 46
1969	84·9	97·3	101·6	96	89	96	82·3	1,587	− 20
1970	91·4	99·1	101·7	98	92	99	91·4	1,775	+ 84
1971	100·0	100·0	100·0	100	100	100	108·5	2,053	+240
1972	112·0	105·8	101·5	105	115	109	138·6	2,497	+424
1973	126·9	110·7	101·0	109	127	118	137·1	2,871	+438
1974	146·7	109·9	101·8	107	123	117	102·8	2,517	−155
1975	174·5	107·9	99·3	108	121	115	97·2	2,987	− 10
1971 *3*	101·7	100·5	99·6	100	104	101	111·9	574	+107
4	104·6	102·1	100·2	101	106	104	128·4	573	+ 94
1972 *1*	105·8	102·1	99·9	100	107	104	125·0	567	+ 78
2	109·3	104·8	101·1	104	114	107	148·3	618	+112
3	114·1	107·3	101·7	108	118	111	135·8	640	+116
4	118·6	109·2	103·1	107	122	114	145·1	672	+118
1973 *1*	123·4	111·6	100·8	115	130	118	149·1	752	+170
2	122·2	108·6	100·9	105	123	115	138·3	685	+ 86
3	128·0	110·7	101·2	108	127	119	139·3	720	+ 99
4	134·0	111·7	101·1	109	129	121	121·8	714	+ 83
1974 *1*	136·6	109·6	100·2	107	122	119	101·7	570	− 64
2	141·0	107·8	101·1	104	118	115	105·1	618	− 45
3	150·9	111·2	103·0	110	125	118	107·2	651	− 22
4	158·2	111·3	102·8	107	128	119	97·3	678	− 24
1975 *1*	165·8	111·3	101·1	111	129	118	107·8	711	− 9
2	173·7	108·9	98·6	108	130	116	93·5	759	+ 14
3	177·0	105·5	97·9	108	111	112	103·2	748	− 5
4	182·1	105·8	99·4	105	112	112	84·5	769	− 10
1976 *1*	190·2	107·3	99·5	108	118	114	105·9	838	+ 35
2	193·9	106·7	99·3	106	121	112	105·9	873	+ 76
3	203·8	108·7	98·8	109	127	115	96·9	913	+103
4									
1975 *J*	175·3	105·4	97·7	110	109	112	91·1	249	− 9
A	175·8	104·8	97·5	109	113	110	98·4	239	− 5
S	179·2	106·1	98·6	106	112	114	120·2	260	+ 9
O	177·8	104·8	98·5	106	108	111	85·3	253	− 13
N	180·8	105·2	99·6	102	111	112	81·4	251	− 3
D	186·4	107·0	100·1	107	117	113	86·6	265	+ 6
1976 *J*	193·2	109·8	100·1	110	125	117	114·8	282	+ 13
F	189·6	107·1	99·5	107	121	112	101·4	276	+ 13
M	188·3	105·5	98·9	106	112	112	101·4	280	+ 9
A	195·3	108·5	101·4	106	128	112	118·1	291	+ 25
M	192·1	105·7	98·3	105	117	112	112·2	291	+ 25
J	194·2	106·1	98·4	107	119	111	87·5	291	+ 26
J	199·9	108·3	99·5	107	127	114	87·0	290	+ 30
A	204·3	108·9	99·5	109	128	115	115·5	304	+ 38
S	206·4	108·8	97·7	111	127	116	88·2	319	+ 35
O	206·8	107·3	97·7	106	126	114	103·5	309	+ 35
N	213·4	109·3	98·5	107	130	118	111·1	331	+ 49
D									

[1] Monthly averages. [2] Monthly figures of retail sales are based on four-week periods, except for the months of March, June, September and December which are five-week periods. Because of timing differences January 1975 is exceptionally a five-week period. Further details are given in the Technical note to the retail sales figures on page 716 of *Trade and Industry*, 14 March 1975.

[3] Credit extended by and repaid to finance houses and retailers, i.e. durable goods shops and department stores *plus* other general stores, general mail order houses and the non-durable goods departments of co-operative societies.

[4] The seasonal adjustments have been revised in the light of subsequent experience. [5] Provisional estimates.

[6] These indices are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.


Volume of retail sales
Weekly average 1971 = 100, seasonally adjusted
200
180
160
140
120
100
80
Durable goods shops
Total
(Monthly figures)
New registrations of cars
Thousands, seasonally adjusted
Monthly rate
175
150
125
100
75
50
25
(Monthly figures)
Change in hire purchase debt outstanding
£ million, seasonally adjusted
Monthly rate
75
50
25
0
−25
−50
(Monthly figures)
1971
1972
1973
1973
1974
1975
1976

Shares of income and expenditure

Seasonally adjusted

	£ million	Per cent				£ million	Per cent		
		Percentage share of total final expenditure					Percentage share of total domestic income		
	Total final expenditure (current market prices)	Consumers' expenditure	Public authorities' current expenditure on goods and services	Gross fixed investment: Public sector	Gross fixed investment: Private sector	Total domestic income (current prices)[1]	Income from employment	Gross trading profits of companies[1]	Other[1,2]
1965	42,478	53·8	14·2	6·5	8·8	31,539	67·5	15·0	17·5
1966	45,105	53·7	14·6	7·0	8·4	33,330	68·4	13·8	17·8
1967	47,823	53·2	15·2	7·6	8·1	34,778†	68·3	13·4	18·3
1968	52,549	52·0	14·7	7·2	8·4	37,813	67·2	14·0	18·8
1969	56,100	51·9	14·4	6·7	8·7	40,332	67·3	13·2	19·5
1970	61,909	51·1	14·7	6·6	8·6	44,742	68·0	12·7	19·3
1971	68,809	51·1	15·0	6·4	8·9	49,766	67·3	13·2	19·5
1972	76,503	51·9	15·4	6·1	9·2	56,684	66·3	13·6	20·1
1973	90,670†	49·7	14·8	6·3	9·3	66,935	64·7	14·7	20·6
1974	108,593	47·7	15·3	6·6	8·7	79,729	65·8	13·5	20·7
1975	131,543	48·2	17·4	6·7	8·9	97,429	70·0	10·7	19·3
1975 *1*	30,640†	47·9	17·3	7·1	8·6	23,081	69·0	11·6	19·4
2	31,825	48·9	17·2	6·5	9·1	23,715	70·1	10·4	19·5
3	33,675	48·4	17·6	6·4	9·5	24,762	71·2	10·0	18·8
4	35,403	47·5	17·6	6·9	8·4	25,871	69·5	10·7	19·8
1976 *1*	36,683	47·9	17·1†	7·1	7·9†	26,623†	69·4	10·9	19·7
2	37,917	47·1	17·3	6·3	8·2	27,843	69·3†	11·3†	19·4
3	39,973	46·9	16·8	6·0	8·9	28,523	69·3	11·3	19·4
4									

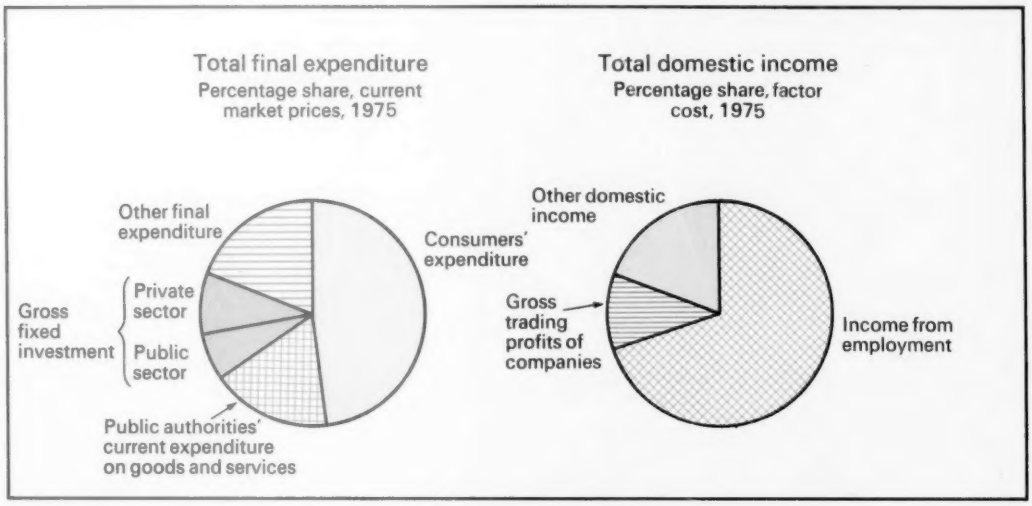
[1] Before providing for stock appreciation.
[2] Gross trading surplus of public corporations and other public enterprises, income from rent and self-employment.

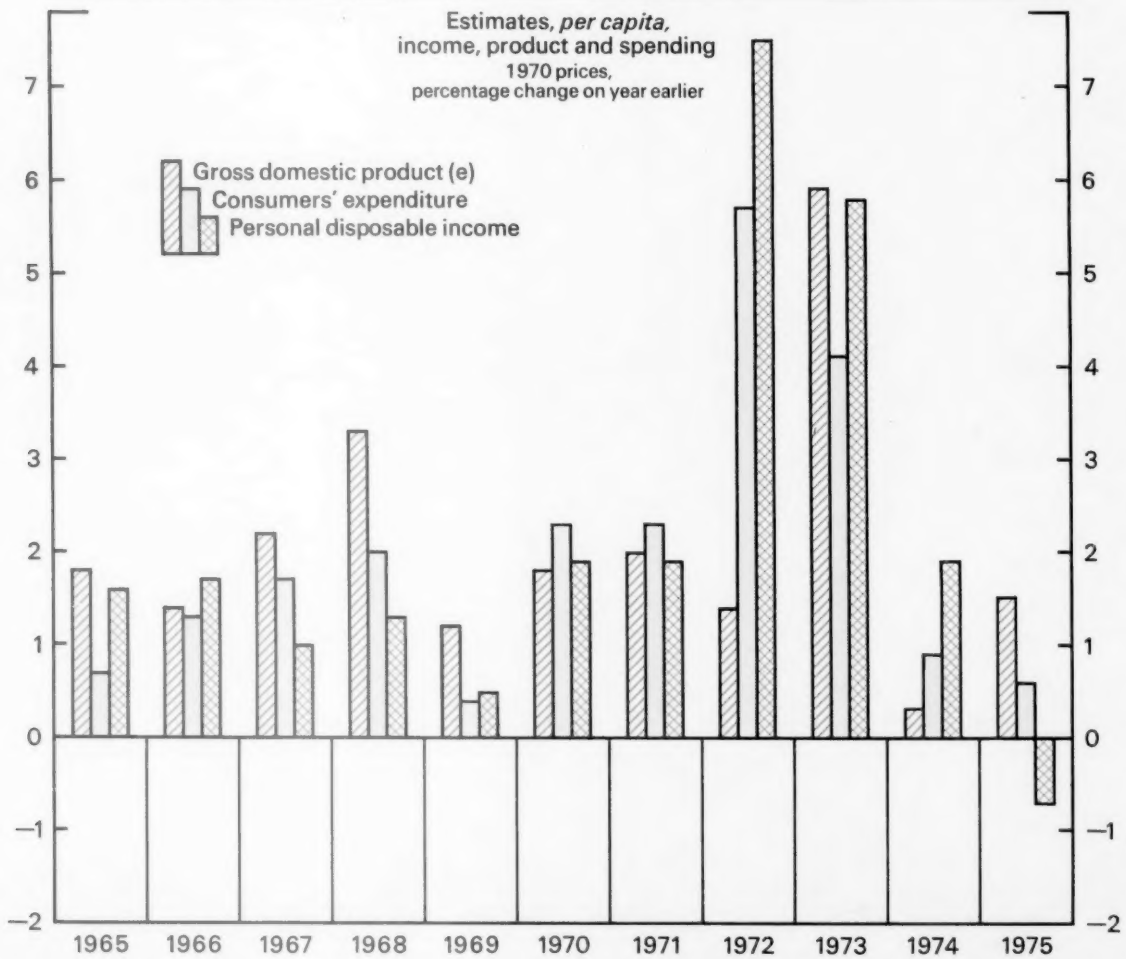
Estimates, *per capita*, income, product and spending

Seasonally adjusted

	£, current prices				£, 1970 prices		
	Gross national product	Gross domestic product[1]	Consumers' expenditure	Personal disposable income	Gross domestic product[1]	Consumers' expenditure	Personal disposable income
1965	582	574	420	461	710	528	579
1966	613	606	443	488	720	535	589
1967	643	636	463	506	736	544	595
1968	685	679	496	538	760	555	603
1969	722	713	526	572	769	557	606
1970	793	783	570	626	783	570	626
1971	890	881	631	690	799	583	638
1972	994	984	711	791	810	616	686
1973	1,158†	1,133	804	910	855	641	726
1974	1,337	1,312†	925	1,076	857†	635	739
1975	1,678	1,661	1,130	1,315	844	631	734
1975 *1*	392	388	262	310	215†	160	189
2	406	403	278	321	210	158	183
3	426	422†	290	338	208	157	182
4	454	449	300	346	212	156	180
1976 *1*	470†	465	313	360†	217	158	182†
2	468	463	319†	367	210	157	181
3	494	489	334	382	214	159	182
4							

[1] Based on expenditure data.


Total final expenditure
Percentage share, current market prices, 1975
Other final expenditure
Gross fixed investment
Private sector
Public sector
Public authorities' current expenditure on goods and services
Total domestic income
Percentage share, factor cost, 1975
Other domestic income
Consumers' expenditure
Gross trading profits of companies
Income from employment


Estimates, per capita, income, product and spending
1970 prices, percentage change on year earlier
Gross domestic product (e)
Consumers' expenditure
Personal disposable income
7
6
5
4
3
2
1
0
−1
−2
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975

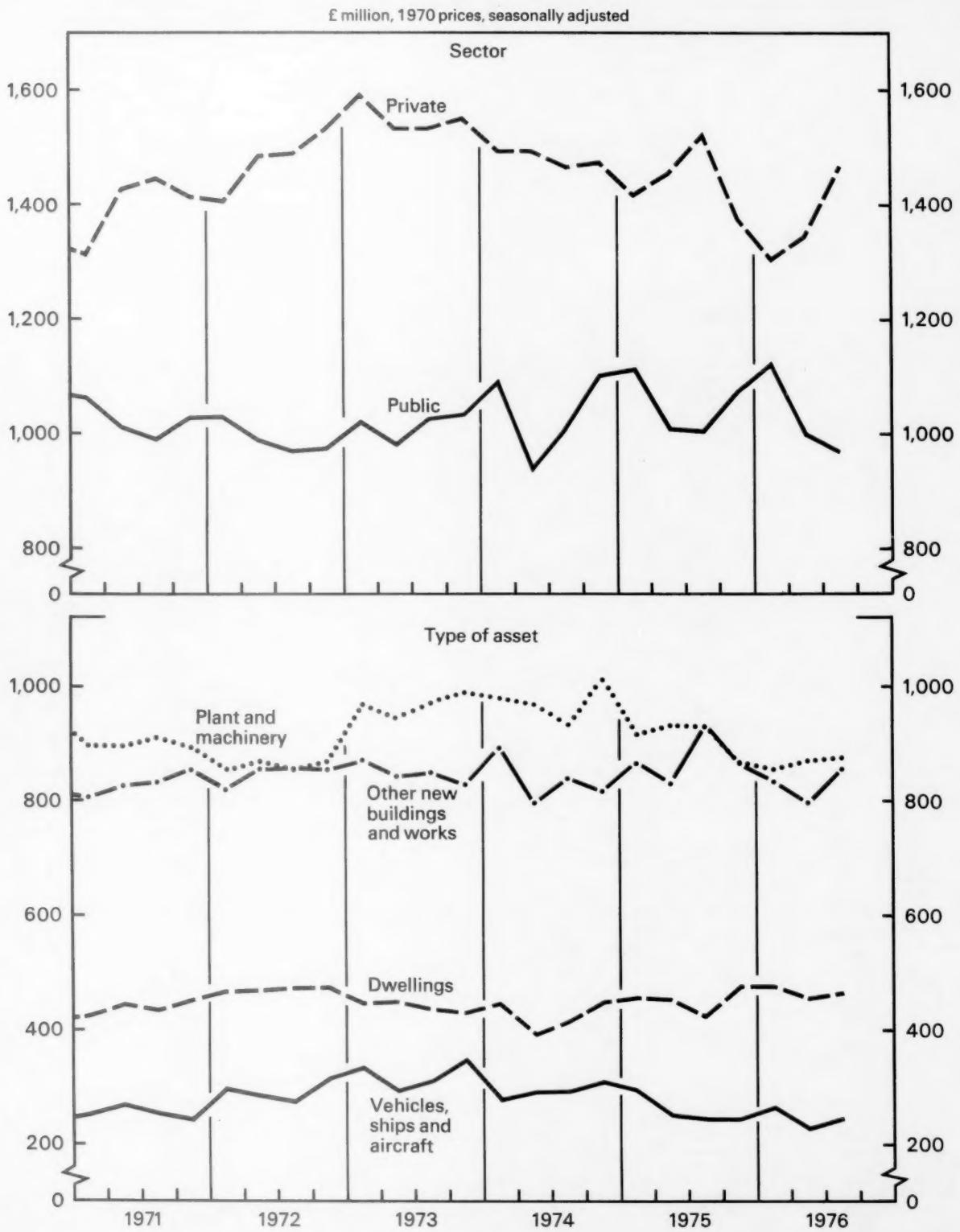
Gross domestic fixed capital formation by sector and by type of asset

Seasonally adjusted

£ million, 1970 prices

		Sector[1]		Type of asset					
				Dwellings					
					of which:				
	Total§	Private sector	Public sector	Total	Private	Public	Other new building and works[2]	Vehicles ships and aircraft	Plant and machinery
1965	7,900	4,405	3,495	1,558	890	668	2,580	751	3,011
1966	8,097	4,344	3,753	1,603	847	756	2,601	674	3,219
1967	8,780	4,488	4,292	1,784	915	869	2 879	752	3,365
1968	9,182	4,906	4,276	1,868	957	911	3,020	928	3,366
1969	9,216	5,211	4,005	1,785	894	891	3,050	912	3,469
1970	9,453	5,343	4,110	1,643	841	802	3,173	979	3,658
1971	9,681	5,595	4,086	1,754	1,007	747	3,315	1,013	3,599
1972	9,870	5,915	3,955	1,872	1,160	712	3,390	1,166	3,442
1973	10,279	6,222	4,057	1,750	1,040	710	3,382	1,279	3,868
1974	10,087	5,935	4,152	1,694	873	821	3,346	1,159	3,888
1975	9,967	5,769	4,198	1,809	950	859	3,489	1,029	3,640
1970 *3*	2,366	1,363	1,003	415	213	202	804	235	912
4	2,411	1,333	1,078	418	220	198	811	240	942
1971 *1*	2,373	1,309	1,064	421	234	187	801	252	899
2	2,434	1,427	1,007	443	248	195	826	267	898
3	2,432	1,444	988	438	258	180	830	254	910
4	2,442	1,415	1,027	452	267	185	858	240	892
1972 *1*	2,436	1,408	1,028	464	283	181	819	298	855
2	2,469	1,484	985	465	282	183	856	281	867
3	2,455	1,486	969	469	301	168	858	274	854
4	2,510	1,537	973	474	294	180	857	313	866
1973 *1*	2,617	1,597	1,020	443	266	177	870	336	968
2	2,516	1,536	980	445	271	174	840	290	941
3	2,562	1,537	1,025	436	253	183	848	307	971
4	2,584	1,552	1,032	426	250	176	824	346	988
1974 *1*	2,594	1,495	1,098	443	234	209	896	276	979
2	2,436	1,497	939	389	211	178	794	288	965
3	2,476	1,465	1,011	416	196	220	840	288	932
4	2,581	1,477	1,104	446	232	214	816	307	1,012
1975 *1*	2 533	1,418	1,115	458	231	227	864	297	914
2	2,460	1,453	1,007	453	241	212	826	250	931
3	2 528[3]	1,526[3]	1,002	421	237	184	938[3]	241	928
4	2,446	1,372	1,074	477	241	236	861	241	867
1976 *1*	2,427†	1,301†	1,126†	477†	236†	241	832†	263†	855†
2	2,343	1,343	1,000	455	233	222†	794	225	869
3	2,436[3]	1,468[3]	968	462	252	210	854[3]	243	877
4									
	Percentage change, quarter on corresponding quarter of previous year								
1974 *3*	*−3·4*	*−4·7*	*−1·4*	*− 4·6*	*−22·5*	*+20·2*	*− 0·9*	*− 6·2*	*− 4·0*
4	*−0·1*	*−4·8*	*+7·0*	*+ 4·7*	*− 7·2*	*+21·6*	*− 1·0*	*−11·3*	*+ 2·4*
1975 *1*	*−2·4*	*−5·2*	*+1·5*	*+ 3·4*	*− 1·3*	*+ 8·6*	*− 3·6*	*+ 7·6*	*− 6·6*
2	*+1·0*	*−2·9*	*+7·2*	*+16·5*	*+14·2*	*+19·1*	*+ 4·0*	*−13·2*	*− 3·5*
3	*+2·1*	*+4·2*	*−0·9*	*+ 1·2*	*+20·9*	*−16·4*	*+11·7*	*−16·3*	*− 0·4*
4	*−5·2*	*−7·1*	*−2·7*	*+ 7·0*	*+ 3·9*	*+10·3*	*+ 5·5*	*−21·5*	*−14·3*
1976 *1*	*−4·2†*	*−8·3†*	*+1·0†*	*+ 4·1†*	*+ 2·2†*	*+ 6·2*	*− 3·7†*	*+11·5†*	*− 6·5†*
2	*−4·8*	*−7·6*	*−0·7*	*+ 0·4*	*− 3·3*	*+ 4·7†*	*− 3·9*	*−10·0*	*− 6·7*
3	*−3·6*	*−3·8*	*−3·4*	*+ 9·7*	*+ 6·3*	*+14·1*	*− 9·0*	*+ 0·8*	*− 5·5*
4									

[1] Including purchases *less* sales of land and existing buildings.
[2] Including transfer costs of land and buildings.
[3] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.


£ million, 1970 prices, seasonally adjusted
Sector
Private
Public
1,600
1,400
1,200
1,000
800
0
Type of asset
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1,000
800
600
400
200
0
1971
1972
1973
1974
1975
1976

Indicators of fixed investment by manufacturing industry

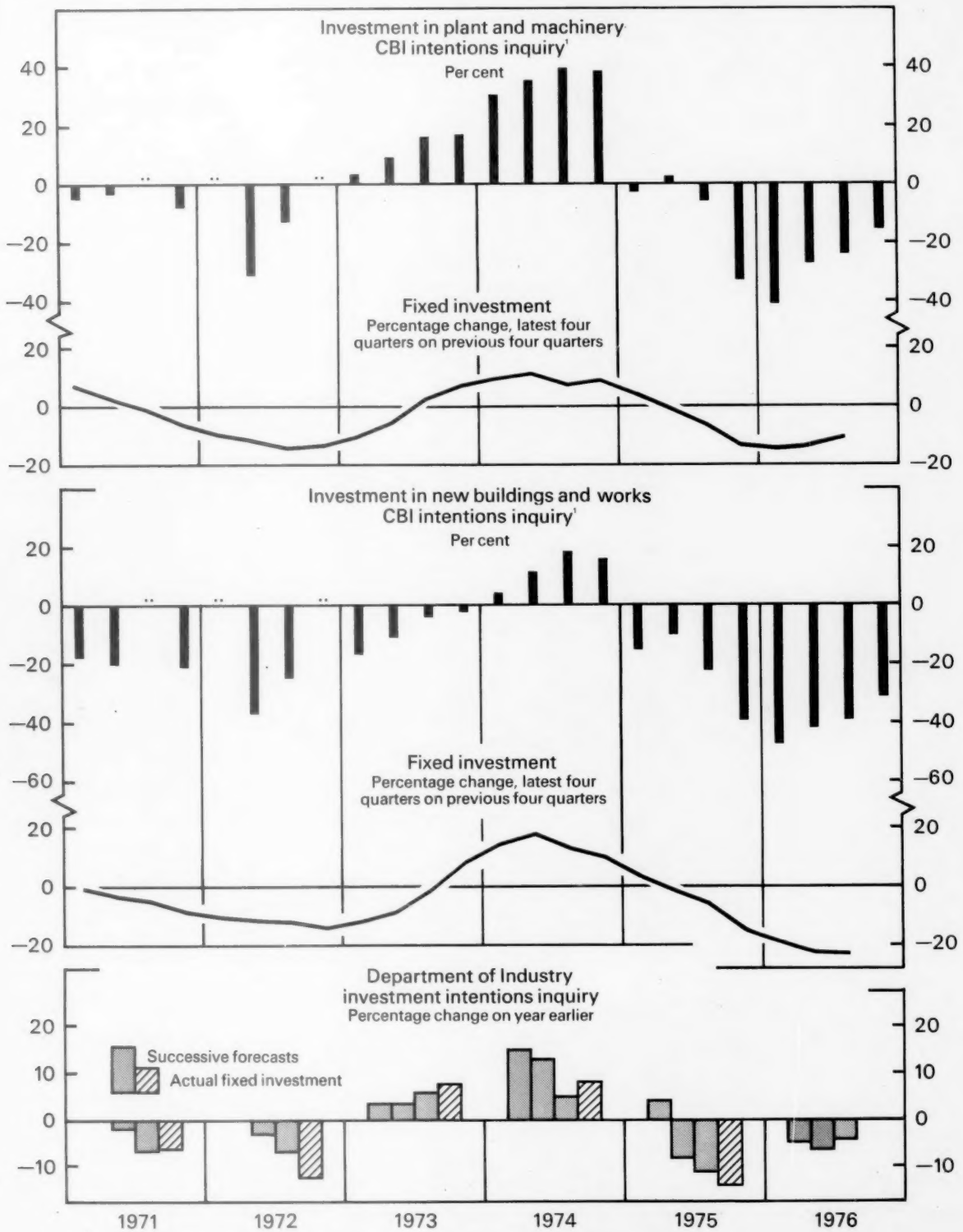
	Gross fixed investment in manufacturing industry							New orders received by contractors for private industrial work (GB)[1,2]
	Total§	Plant and machinery			New building and works			
		Gross fixed investment		CBI Intentions Inquiry	Gross fixed investment		CBI Intentions Inquiry	
	£ million, 1970 prices, seasonally adjusted	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted	*Percentage change on year earlier*	Balance[3]	£ million, 1970 prices, seasonally adjusted
1965	1,726·0	1,239·8	*+11*	..	384·0	*+12*	..	535·6
1966	1,773·7	1,312·0	*+ 6*	..	363·4	*— 5*	..	510·1
1967	1,737·7	1,318·6	*+ 1*	..	319·6	*—12*	..	527·9
1968	1,851·2	1,406·1	*+ 7*	..	335·9	*+ 5*	..	549·6
1969	1,977·5	1,471·5	*+ 5*	..	390·1	*+16*	..	605·9
1970	2,129·8	1,623·9	*+10*	..	391·2	*—*	..	565·2
1971	1,990·7	1,520·2	*— 6*	..	357·1	*— 9*	..	417·3
1972	1,739·2	1,310·4	*—14*	..	305·5	*—14*	..	469·8
1973	1,871·7	1,407·9	*+ 8*	..	330·8	*+ 8*	..	590·6
1974	2,024·0	1,524·4	*+ 8*	..	361·4	*+ 9*	..	497·2
1975	1,737·2	1,325·4	*—13*	..	307·3	*—15*	..	305·9
1971 *1*	513·4	394·6	*+ 1*	..[4]	90·9	*— 3*	..[4]	111·6
2	499·0	380·0	*— 6*	31	90·0	*— 9*	—37	98·9
3	497·9	383·5	*— 6*	—13	87·2	*—11*	—25	102·6
4	480·4	362·1	*—13*	..	89·0	*—11*	..	104·2
1972 *1*	458·1	350·1	*—11*	3	79·8	*—12*	—17	109·0
2	429·1	321·7	*—15*	9	77·8	*—14*	—11	107·8
3	424·8	316·6	*—17*	16	76·3	*—13*	— 4	105·5
4	427·2	322·0	*—11*	17	71·6	—20	— 2	147·5
1973 *1*	466·8	356·1	*+ 2*	30	76·7	*— 4*	4	133·2
2	448·9	338·8	*+ 5*	35	78·2	*+ 1*	11	137·0
3	488·6	365·7	*+16*	39	89·2	*+17*	18	154·6
4	467·4	347·3	*+ 8*	38	86·7	*+21*	16	165·8
1974 *1*	509·9	384·0	*+ 8*	— 3	91·4	*+19*	—15	117·3
2	502·2	377·5	*+11*	2	89·4	*+14*	—10	116·0
3	501·2	378·0	*+ 3*	— 6	87·9	*— 1*	—22	148·0
4	510·7	384·9	*+11*	—33	92·7	*+ 7*	—39	115·9
1975 *1*	471·2	355·3	*— 7*	—41	87·4	*— 4*	—47	106·5
2	444·4	338·9	*—10*	—27	80·2	*—10*	—42	75·2
3	416·1	318·5	*—16*	—24	72·7	*—17*	—39	72·1
4	405·5	312·7	*—19*	—15	67·0	*—28*	—31	52·1
1976 *1*	401·8	308·6	*—13*	10	66·5	*—24*	—12	75·7
2	408·3	314·9	— 7	15	62·2	*—22*	— 9	95·7
3	410·7†	319·3†	*0*†	25	61·1†	*—16*†	— 3	81·1[5]
4				26			1	

[1] New orders from the third quarter 1974 include orders received by firms, mostly small, which have been added to the statistical register.
[2] From 2nd quarter 1976 figures are not precisely comparable with those of earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less. Figures relate to Inquiries in February, June and October of each year until 1972, when they are held in the first month of each quarter.
[4] No Inquiry was held in February 1971 because of the postal strike.
[5] Provisional.

Department of Industry inquiry into investment intentions[1]: manufacturing industry

	Percentage change over previous year, in volume terms			
	Gross fixed investment			
	First forecast	Second forecast	Third forecast	Actual
1968	probably some increase	about +5	less than +5	+ 6·5
1969	between +10 and +15	+10 to +15, perhaps top end	of the order of +10	+ 6·8
1970	about +10	about +10	about +2 or +3	+ 7·7
1971	no large change	about —2	about —6 to —8	— 6·5
1972	little change, perhaps a rise	about —3	—7	—12·6
1973	+2 to +5	+2 to +5	+6	+ 7·6
1974	strong increase about +15	some +12 to +14	about +5	+ 8·1
1975	less than +5	—7 to —10	about —11 or —12	—14·2
1976	of the order of —5	—5 to —8	—4 to —5	
1977	between + 15 and +20	+10 to +15		

[1] For each year the first inquiry is held in the preceding summer, the second at the end of the previous year and the third in the summer of the year concerned. (In addition the inquiry at the end of the year seeks preliminary information in respect of the second year ahead and another survey in the spring of each year updates the intentions for both years covered by this inquiry; these two inquiries are not included in the table.)

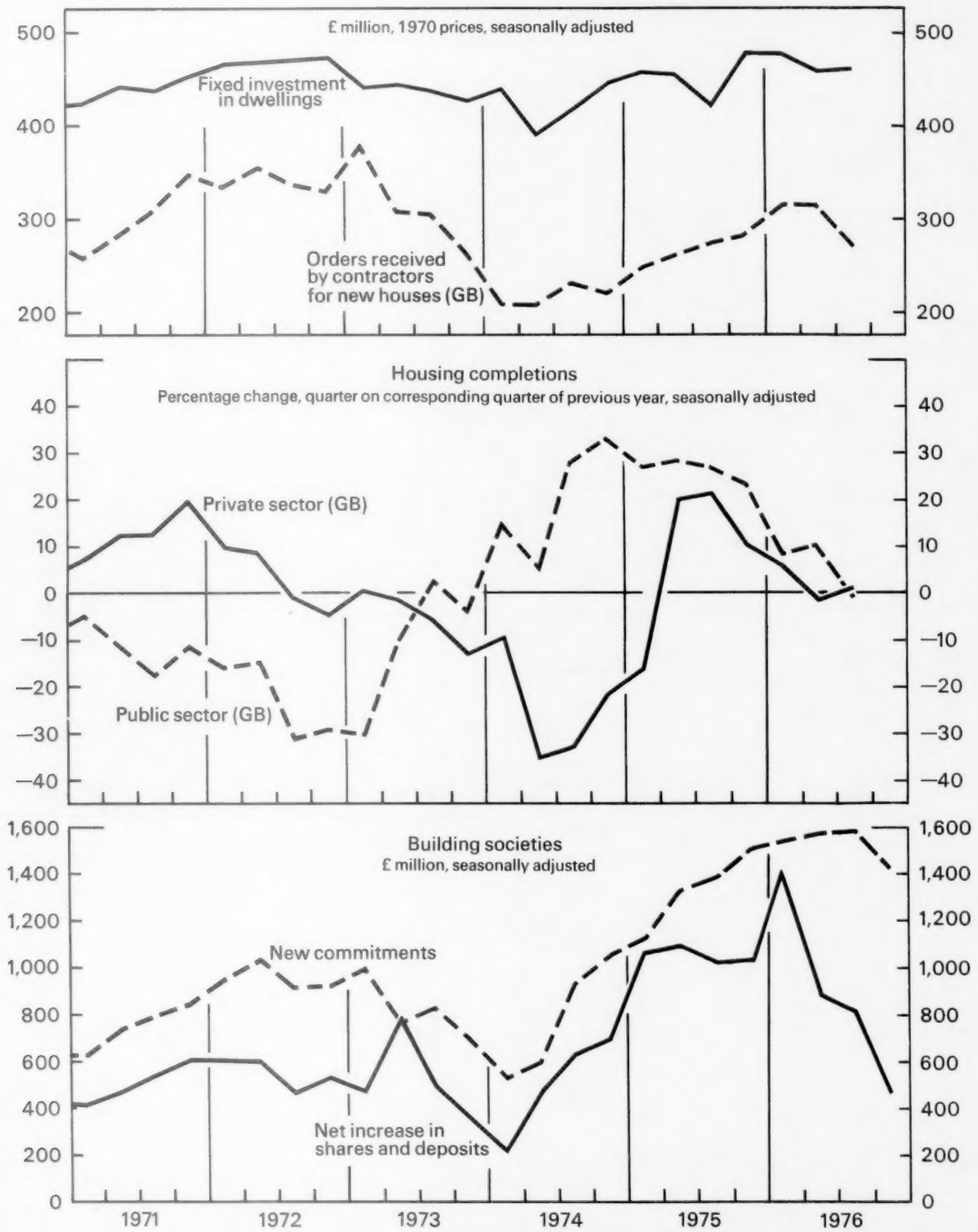


[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage changes in fixed investment

Indicators of fixed investment in dwellings

	Seasonally adjusted								Unadjusted
	£ million, 1970 prices		Thousands				£ million		1970=100
			Housing starts (GB) §		Housing completions (GB) §		Building Societies Association		
	Fixed investment in dwellings	Orders received by contractors for new houses (GB) [1,2]	Private sector	Public sector	Private sector	Public sector	New commitments for mortgages	Net increase in shares and deposits	Average price of new dwellings: mortgages approved [3]
1966	1,603	1,381·2	193·4	185·9	205·4	180·1	1,223	724	79·2
1967	1,784	1,665·9	233·6	213·9	200·4	203·9	1,649	1,099	83·8
1968	1,868	1,435·7	200·1	194·3	222·0	191·7	1,480	767	89·6
1969	1,785	1,165·9	166·8	176·6	181·7	185·1	1,580	895	94·2
1970	1,643	1,171·6	165·1	153·8	170·3	180·1	2,188	1,490	100·0
1971	1,754	1,191·3	207·4	136·9	191·6	158·9	3,013	2,034	115·3
1972	1,872	1,351·3	228·0	123·0	196·5	122·8	3,802	2,193	151·5
1973	1,750	1,247·9	215·7	112·8	186·6	107·5	3,254	2,102	206·4
1974	1,694	866·1	105·9	146·8	140·9	128·6	3,115	1,993	218·9
1975	1,809	1,066·3	149·8	173·9	150·9	162·3	5,302	4,172	239·5 [4]
1976							6,106	3,575	
1972 *1*	464	333·6	51·0	34·7	48·7	36·4	947	603	128·4
2	465	352·9	57·1	29·1	50·0	33·4	1,030	598	142·5
3	469	337·3	57·8	28·4	48·8	26·0	909	466	167·6
4	474	327·5	62·1	30·8	49·0	27·0	916	526	182·2
1973 *1*	443	375·2	62·0	30·2	48·9	25·5	991	464	196·0
2	445	306·1	55·4	27·4	49·1	29·7	759	784	205·4
3	436	303·5	53·3	27·6	46·0	26·4	816	498	211·6
4	426	263·1	45·0	27·6	42·6	25·9	688	356	217·0
1974 *1*	443	207·7	33·5	34·6	44·1	29·2	533	218	216·8
2	389	207·6	26·0	39·7	32·0	31·1	598	456	215·4
3	416	230·0	22·9	37·2	30·9	33·9	931	634	221·0
4	446	220·8	23·5	35·3	33·9	34·4	1,053	685	221·8
1975 *1*	458	248·3	34·1	41·8	37·1	37·2	1,119	1,054	228·1
2	453	261·0	37·2	37·4	38·5	39·8	1,311	1,085	239·4
3	421	274·0	38·8	45·0	37·5	42·9	1,373	1,012	244·5
4	477	283·0	39·7	49·7	37·8	42·4	1,499	1,021	246·1
1976 *1*	477†	314·2	41·1	51·0	39·3	40·1	1,541†	1,417†	249·6
2	455	314·3	42·3	43·5	37·6	43·7	1,560	884	258·4
3	462	269·5 [5]†	40·1	45·5	37·9	42·5	1,588	807	264·1
4							1,417	467	
1975 *J*	..	92·2	12·8	14·6	12·0	13·1	442	302	244·5
A	..	81·3	13·3	14·8	13·3	14·2	426	363	245·6
S	..	100·5	12·7	15·6	12·2	15·6	505	347	243·5
O	..	103·2	13·3	16·5	11·9	14·4	518	338	245·7
N	..	91·1	13·8	17·0	13·7	14·9	459	319	245·8
D		88·7	12·6	16·2	12·2	13·1	522	364	246·8
1976 *J*	..	94·8	13·3	19·1	13·4	13·5	498†	398†	249·4
F	..	115·8	12·2	16·6	12·0	14·7	495	465	247·0
M	..	103·6	15·6	15·3	13·9	11·9	548	554	252·6
A	..	116·7	14·5	14·1	12·6	15·7	520	397	256·9
M	..	116·1	14·0	15·5	11·7	14·8	510	268	256·7
J	..	81·5	13·8	13·9	13·3	13·2	530	219	261·6
J	..	107·6	13·2	16·8	12·3	13·6	505	243	262·7
A	..	81·3†	13·1	15·0	12·2	13·3	523	311	264·7
S	..	80·6 [5]	13·8	13·7	13·4	15·6	560	253	265·0
O		78·8 [5]	10·1	11·5	12·0	13·7	497	170	
N			10·5	10·9	12·5	13·1	463	118	
D							457	179	

[1] New orders from July 1974 include orders received from firms mostly small which have now been added to the statistical register.
[2] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.
[3] Mortgages with building societies by private owners. The index covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.
[4] From 1975 figures are based on a new monthly return covering 90 per cent of building society mortgages. [5] Provisional.


£ million, 1970 prices, seasonally adjusted
Fixed investment in dwellings
Orders received by contractors for new houses (GB)
500
400
300
200
Housing completions
Percentage change, quarter on corresponding quarter of previous year, seasonally adjusted
Private sector (GB)
Public sector (GB)
40
30
20
10
0
−10
−20
−30
−40
Building societies
£ million, seasonally adjusted
New commitments
Net increase in shares and deposits
1,600
1,400
1,200
1,000
800
600
400
200
0
1971
1972
1973
1974
1975
1976

Stock changes

Seasonally adjusted

£ million, 1970 prices

	All industries §	Manufacturing[1] Total §	Materials and fuel	Work in progress	Finished goods	Distribution Total	Retail	Wholesale	Other industries
Book values end-December									
1975	18,209	10,400	3,546	4,028	2,826	3,783	1,976	1,807	4,026
1971 *1*	125	26	−21	−22	69	− 2	−16	14	101
2	− 76	− 95	−45	−63	13	33	7	26	−14
3	11	− 49	−42	− 8	1	23	14	9	37
4	39	− 30	−37	− 5	13	20	17	3	49
1972 *1*	− 15	− 62	−13	12	− 61	18	1	17	29
2	24	− 70	−53	20	− 38	41	40	1	53
3	8	− 36	3	− 7	− 32	− 7	−13	6	51
4	22	23	22	7	− 5	11	−13	24	−21
1973 *1*	418	172	73	100	− 1	122	82	40	124
2	336	99	74	51	− 27	211	205	6	26
3	176	42	31	59	− 48	76	48	28	58
4	197	91	66	43	− 17	75	47	28	31
1974 *1*	−105	− 21	66	− 7	− 80	− 16	−38	22	−68
2	321	197	61	21	115	66	19	47	58
3	330	357	135	73	150	− 37	−39	2	10
4	58	133	14	21	98	− 43	−53	10	−32
1975 *1*	−126	17	−129	29	118	− 61	−38	−23	−82
2	−269	−105	− 59	−31	− 16	−118	−66	−52	−46
3	−214	−234	−133	−72	− 29	9	38	−29	11
4	− 90	− 70	− 50	−38	26	36	43	− 7	−56
1976 *1*	38†	31	− 43	37	37	35	12	23	−28†
2	−118	−115†	− 37†	− 66†	− 12†	− 77	−55	−22	74
3	− 30	5	20	− 13	− 3	25	22	3	−60
4									

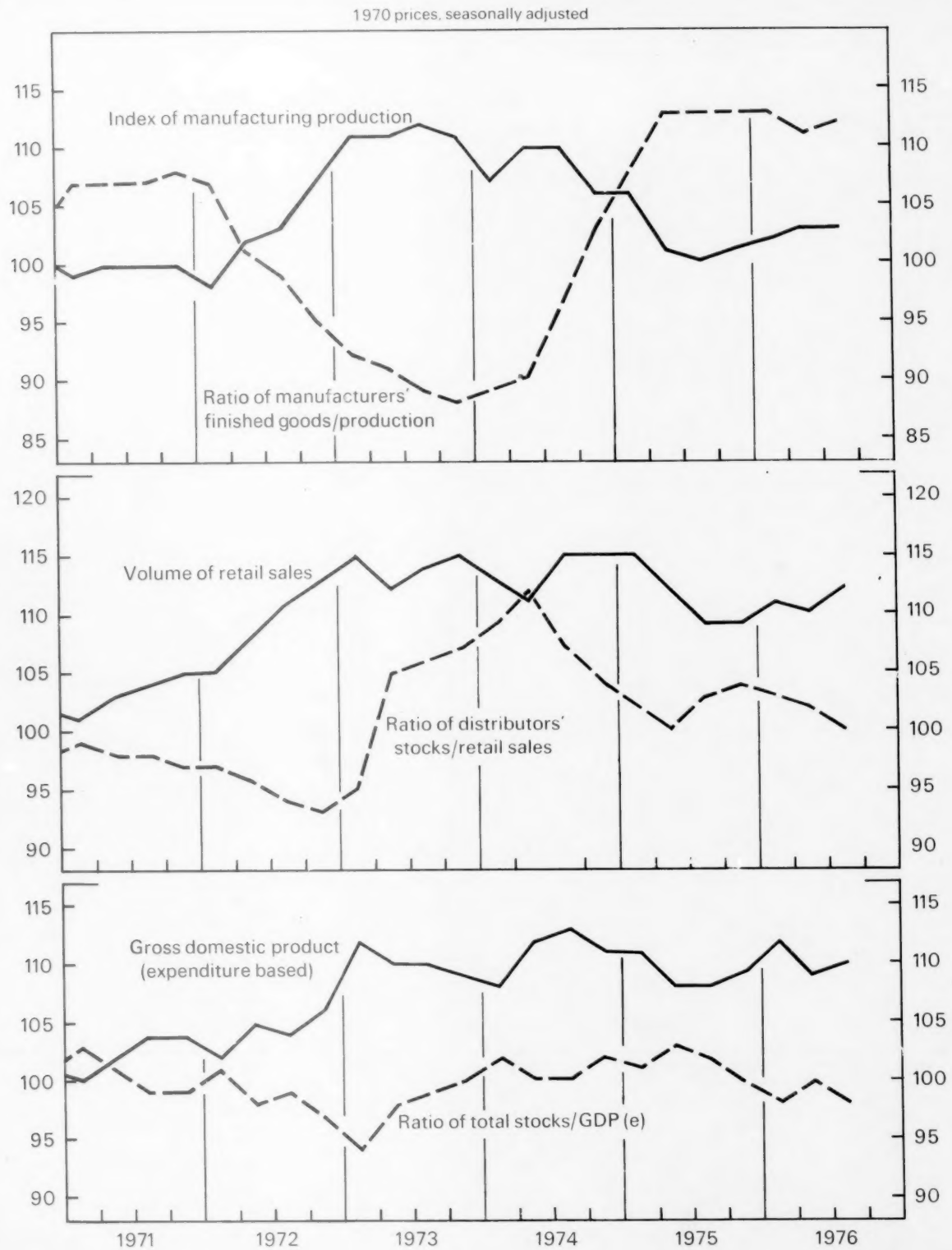
[1]Differences between totals and the sum of constituent parts of manufacturing are due to rounding.

Stock ratios

Seasonally adjusted

1970 prices: stocks level, end-Dec. 1969=100; GDP (e), industrial production and retail sales, 4th quarter 1969=100

	Total stocks to gross domestic product (expenditure based)	Manufactured stocks to manufacturing production: Total stocks	Materials and fuel	Work in progress	Finished goods	Distributors' stocks to retail sales
1971 *1*	103	104	103	103	107	99
2	101	102	101	101	107	98
3	99	102	100	101	107	98
4	99	102†	100	101†	108	97
1972 *1*	101	103	101	103	107	97
2	98	98	95	99	101	96
3	99	97	94	98	99	94
4	97	94	92	95	95†	93
1973 *1*	94	92	90	94	92	95
2	98	93	92	95	91	105
3	99	93	92	96	89	106
4	100†	94	94	97	88	107
1974 *1*	102	97	100	101	89	109
2	100	96	99	99	90	112
3	100	100	102	101	96	107
4	102	105	106	105	103	104
1975 *1*	101	105	103	105	108	102
2	103	110	107	110	113	100
3	102	108	104	109	113	103
4	100	107	101†	108	113	104
1976 *1*	98	106	99	107	113	103
2	100	103	96	104	111	102
3	98	104	98	104	112	100
4						

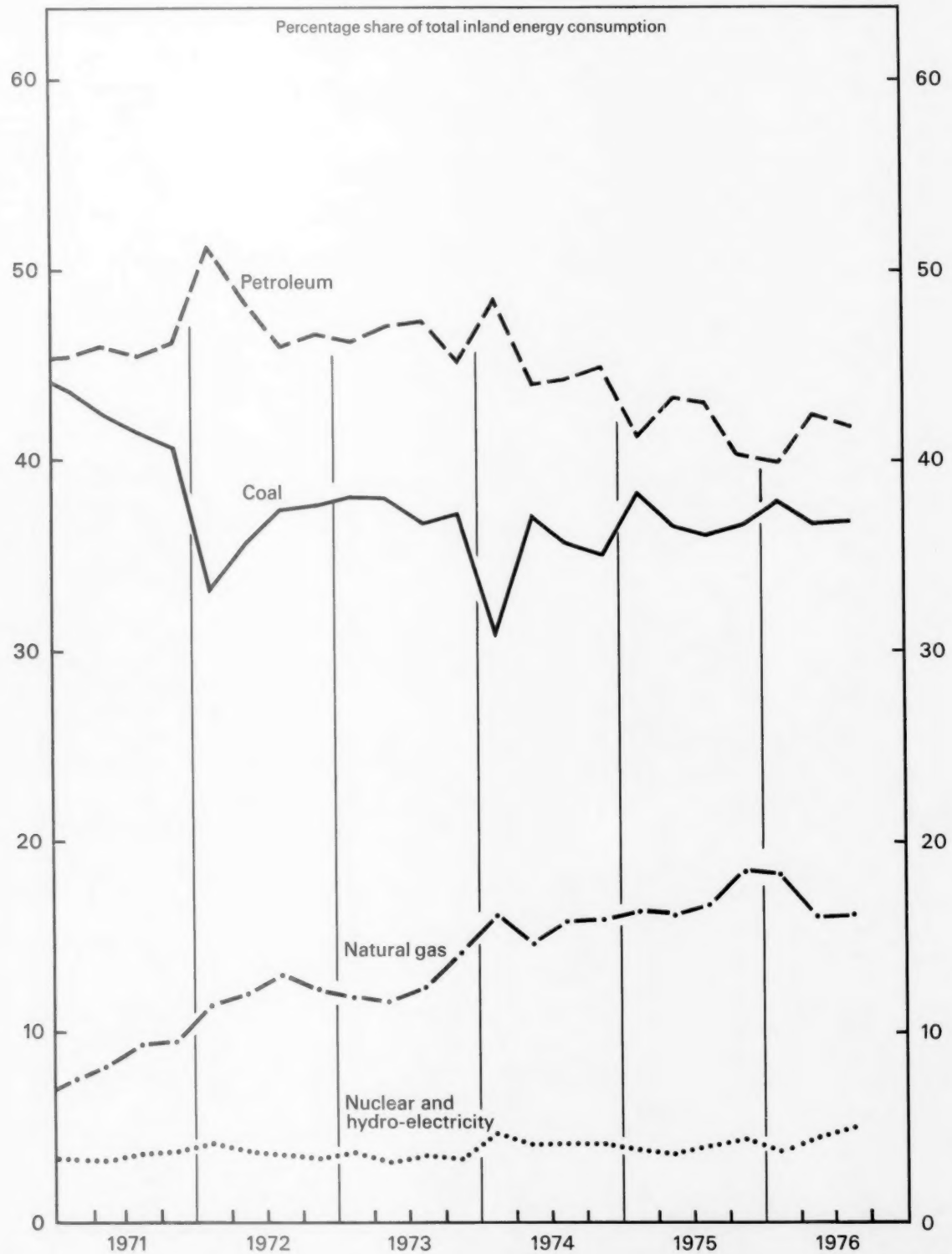

1970 prices, seasonally adjusted
Index of manufacturing production
Ratio of manufacturers' finished goods/production
Volume of retail sales
Ratio of distributors' stocks/retail sales
Gross domestic product (expenditure based)
Ratio of total stocks/GDP (e)
115
110
105
100
95
90
85
120
1971
1972
1973
1974
1975
1976

Inland energy consumption

Annual rates, seasonally adjusted and temperature corrected

	Primary fuel input[1]						Public supply	
	Million tons of coal or coal equivalent						Thousand million kilowatt hours	Thousand million therms
	Total	Coal[2]	Petroleum[3]	Natural gas[4,5]	Nuclear electricity[5]	Hydro electricity[6]	Electricity available(GB)[6]	Gas available(GB)[7]
1965	296·0	182·7	103·8	1·3	6·0	2·2	164·3	3·73
1966	298·0	173·5	113·2	1·2	7·8	2·3	171·9	4·04
1967	298·5	163·7	121·2	2·1	8·9	2·6	177·8	4·37
1968	307·9	164·1	127·1	4·7	10·1	1·9	193·6	4·88
1969	317·9	160·2	136·2	9·2	10·5	1·8	200·5	5·40
1970	331·0	154·3	147·4	17·6	9·3	2·4	211·6	6·30
1971	327·6	137·8	150·0	28·4	9·7	1·7	215·9	8·25
1972	332·1	119·9	159·6	40·3	10·5	1·8	224·1	10·82
1973	348·4	131·0	161·9	43·6	9·9	2·0	241·0	12·04
1974	332·6	115·8	150·7	52·1	11·9	2·1	235·5	13·53
1975	320·9	118·8	134·9	54·5	10·8	1·9	234·2	13·90
1971 *1*	332·2	144·7	151·3	25·0	9·0	2·2	211·8	7·33
2	325·7	138·4	149·7	26·8	9·4	1·4	212·6	8·01
3	321·4	133·2	146·2	30·3	10·4	1·3	217·4	8·52
4	331·3	134·7	152·9	31·6	10·2	1·9	221·8	9·15
1972 *1*	311·9	103·2	160·1	35·4	11·4	1·8	213·4	9·98
2	332·6	119·2	161·1	39·7	10·3	2·3	224·4	10·70
3	336·1	126·0	154·7	43·7	9·7	2·0	226·3	11·18
4	348·0	131·2	162·6	42·5	10·6	1·1	232·2	11·42
1973 *1*	345·8	132·2	160·2	40·8	10·7	1·9	243·2	11·51
2	346·9	132·3	163·2	40·2	9·2	2·0	241·3	11·69
3	351·2	129·1	166·5	43·4	10·0	2·2	241·3	12·19
4	349·5	130·2	157·8	50·0	9·7	1·8	238·3	12·79
1974 *1*	306·9	94·6	148·5	49·7	11·3	2·8	216·3	13·20
2	334·8	124·6	147·2	49·4	12·3	1·3	237·1	13·49
3	346·0	123·8	153·4	54·6	12·2	2·0	244·2	13·66
4	342·9	120·0	153·9	54·6	12·0	2·4	244·3	13·78
1975 *1*	326·2	125·2	134·6	53·6	10·7	2·1	236·2	13·73
2	324·7	119·3	140·8	52·9	10·2	1·5	237·3	13·71
3	318·1	115·1	137·0	53·3	10·6	2·1	234·7	13·97
4	314·7	115·4	127·1	58·4	11·8	2·0	228·5	14·20
1976 *1*	329·0†	124·7	131·2†	60·5†	10·6	2·0	230·9	14·25
2	325·4	119·8	138·1	52·5	12·4	2·6	240·4	14·30
3	328·0	120·9†	137·6	53·1	14·9	1·5	244·3	14·34
4								
	Percentage change, quarter on corresponding quarter of previous year							
1975 *1*	*+ 6·3*	*+32·3*	*— 9·4*	*+ 7·8*	*— 5·3*	*—25·0*	*+ 9·2*	*+ 4·0*
2	*— 3·0*	*— 4·3*	*— 4·3*	*+ 7·1*	*—17·1*	*+15·4*	*+ 0·1*	*+ 1·7*
3	*— 8·1*	*— 7·0*	*—10·7*	*— 2·4*	*—13·1*	*+ 5·0*	*— 3·9*	*+ 2·3*
4	*— 8·2*	*— 3·8*	*—17·4*	*+ 7·0*	*— 1·7*	*—16·7*	*— 6·5*	*+ 3·0*
1976 *1*	*+ 0·9†*	*— 0·4*	*— 2·6*	*+ 2·8†*	*— 0·6*	*— 6·1*	*— 2·2*	*+ 3·8*
2	*+ 0·2*	*+ 0·4*	*— 1·8*	*— 0·7*	*+21·3*	*+65·3*	*+ 1·3*	*+ 4·3*
3	*+ 3·1*	*+ 5·1*	*+ 0·4†*	*— 0·3*	*+40·2*	*—29·4*	*+ 4·1*	*+ 2·6*
4								

[1] Revised basis. Details of changes are given in the *Digest of United Kingdom Energy Statistics 1976* and in *Energy Trends,* August 1976.
[2] Consumption by fuel producers *plus* colliery disposals to final users *plus* net foreign trade and stock change in other solid fuels.
[3] Refinery throughput of crude oil *plus* net foreign trade and stock change in petroleum products *less* deliveries of non-energy products.
[4] Excluding gas flared or reinjected
[5] Natural gas, nuclear and hydro electricity are not temperature corrected.
[6] The inclusion of Northern Ireland would add about 2% to the total.
[7] The inclusion of Northern Ireland would add about 0·3% to the total.


Percentage share of total inland energy consumption
60
50
40
30
20
10
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1971
1972
1973
1974
1975
1976

Index of industrial production

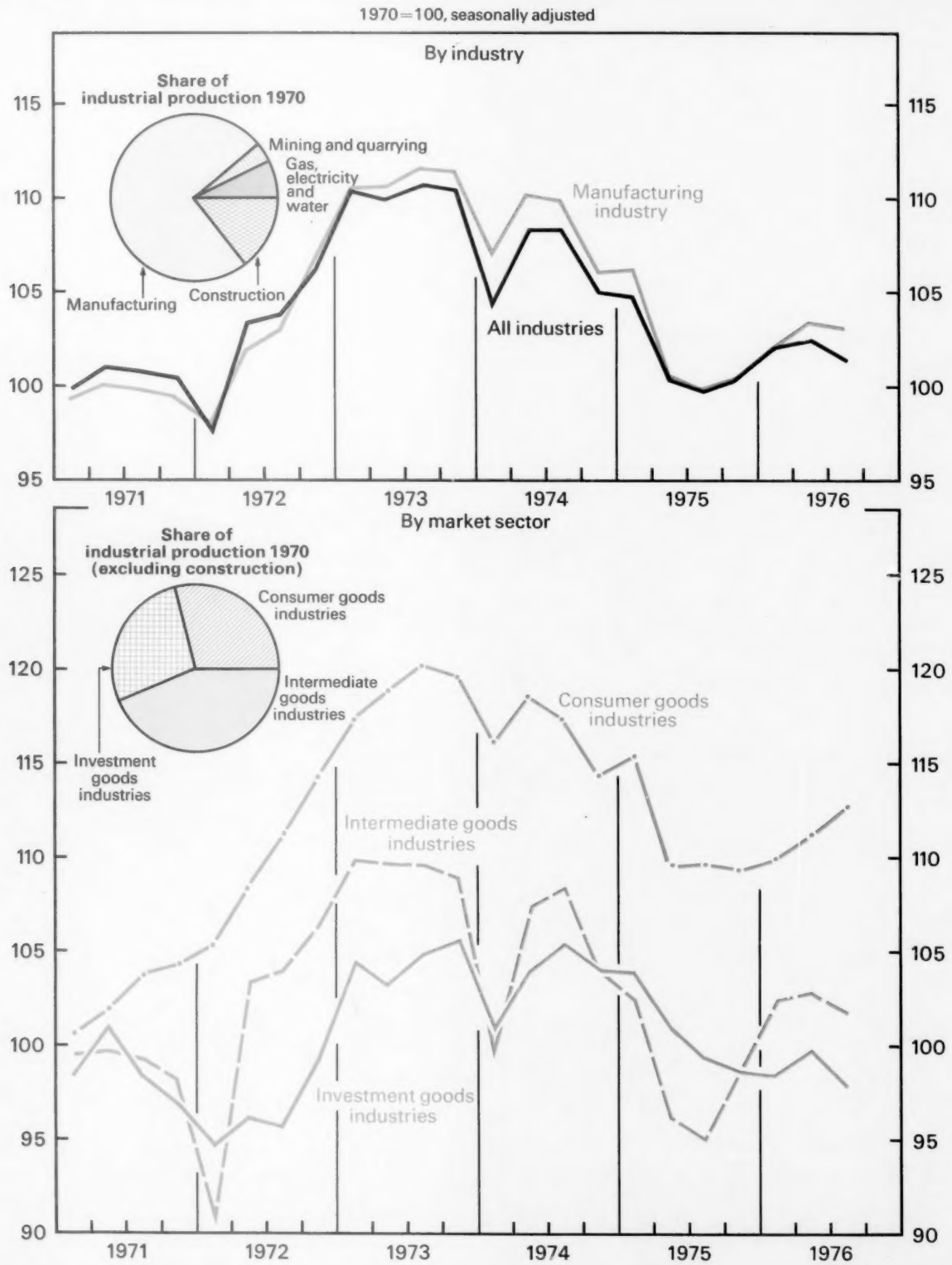
Seasonally adjusted

1970=100

		By industry				By market sector[1]		
	All industries covered §	Mining and quarrying	Manufacturing §	Construction[2]	Gas, electricity and water	Consumer goods industries	Investment goods industries	Intermediate goods industries
1970 weights	*1,000*	*87*	*745*	*146*	*72*	*249*	*238*	*363*
1965	89·1	122·3	87·6	95·1	79·9	..	..	..
1966	90·6	115·3	89·2	96·7	83·0	..	..	..
1967	91·7	114·5	89·8	100·4	86·0	..	..	..
1968	97·2	111·2	96·0	102·6	91·5	95·5	94·7	97·8
1969	99·8	104·0	99·6	101·9	96·0	98·2	100·1	99·9
1970	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100 0
1971	100·5	100·0	99·7	103·0	103·9	102·7	98·6	99·2
1972	102·7	84·1	102·4	104·4	111·4	109·9	96·4	101·1
1973	110·3	92·6	111 0	107 5	118·1	118·9	104·5	109·4
1974	106·4	78·8	108·2	98·2	118·6	116·6	103·5	104·8
1975	101·3†	86·0	101·7	93·5	120·5†	111·0	100·6	98·1
1970 *3*	100·4	100·9	100·1	101·8	100·1	99·7	99·8	100·7
4	100·5	93·6	100·8	100·9	99·3	101·7	100·5	99·4
1971 *1*	99·9	104·0	99·3	101·8	100·0	100·6	98·5	99·5
2	101·0	103·7	100·2	102·9	104·3	102·0	100·8	99·7
3	100·7	101·4	99·9	102·3	105·2	103·8	98·4	99·4
4	100·4	90·8	99·4	105·1	106·0	104·4	96·8	98·2
1972 *1*	97·6	46·3	98·0	105·3	103·5	105·4	94·7	90·9
2	103·3	97·1	101·9	106·2	114·8	108·5	96·1	103·3
3	103·8	96·0	103·0	103·9	115·5	111·3	95·7	104·0
4	106·1	97·1	106·7	102·4	111·8	114·4	99·3	106·4
1973 *1*	110·4	99·0	110·5	109·9	116·1	117·3	104·5	109·8
2	109·9	95·5	110·6	106·7	116·8	118·8	103·2	109·6
3	110·6	93·8	111·5	107·2	116·8	120·1	104·8	109·5
4	110·3	82·0	111·3	106·1	122·9	119·7	105·5	108·9
1974 *1*	104·3	53·3	107·0	101·7	109·0	116·1	100·8	99·6
2	108·2	86·1	110·1	100·0	116·0	118·5	103·9	107·4
3	108·2	88·0	109·9	97·7	123·1	117·3	105·3	108·3
4	104·9	87·7	106·0	93·6	126·3	114·3	103·9	103·9
1975 *1*	104·7	87·3	106·1	93·4	122·3	115·4	103·8	102·5
2	100·3	85·4	100·5	93·8	119·2	109·5†	101·0	96·2
3	99·6	84·4	99·7	94·4	117·0†	109·6	99·2	95·1†
4	100·4	86·8	100·4	92·5	123·6	109·4	98·5	98·6
1976 *1*	102·0†	88·0	102·0†	93·4	127·3	109·9	98·4†	102·4
2	102·4	89·8	103·4	90·8	121·1	111·1	99·7	102·8
3	101·3	87·5†	103·2	86·7†	118·2	112·7	97·9	101·7
4								
1975 *J*	100·0	84	100·3†	..	117	110	100	95
A	98·5†	84	98·5	..	114	109†	98	93
S	100·3	85	100·4	..	120†	110	99	97
O	100·6	87	100·7	..	123	109	99	99
N	100·8	87	100·9	..	123	110	99	99
D	99·8	86	99·5	..	125	109	97	98
1976 *J*	101·4	90	101·8	..	118	110	98	101
F	102·6	88	102·2	..	134	110	99	104†
M	102·1	86	102·0	..	129	110	99†	103
A	102·3	90	103·1	..	123	111	100	102
M	104·4	90	106·2	..	120	113	101	106
J	100·4	89	101·0	..	120	109	98	100
J	101·3	86†	103·5	..	117	114	99	100
A	100·5	88	102·3	..	116	111	97	101
S	102·1	89	103·9	..	122	113	98	104
O	102·5	91	104·3	..	119	114	98	104
N	102·6	94	103·8	..	125	114	97	104
D								

[1] All industries other than construction.

[2] For an index of construction output for Great Britain, incorporating the latest available information see page 30.


1970=100, seasonally adjusted
By industry
Share of industrial production 1970
Mining and quarrying
Gas, electricity and water
Manufacturing
Construction
Manufacturing industry
All industries
115
110
105
100
95
1971
1972
1973
1974
1975
1976
By market sector
Share of industrial production 1970 (excluding construction)
Consumer goods industries
Intermediate goods industries
Investment goods industries
Consumer goods industries
Intermediate goods industries
Investment goods industries
125
120
115
110
105
100
95
90

Index numbers of output

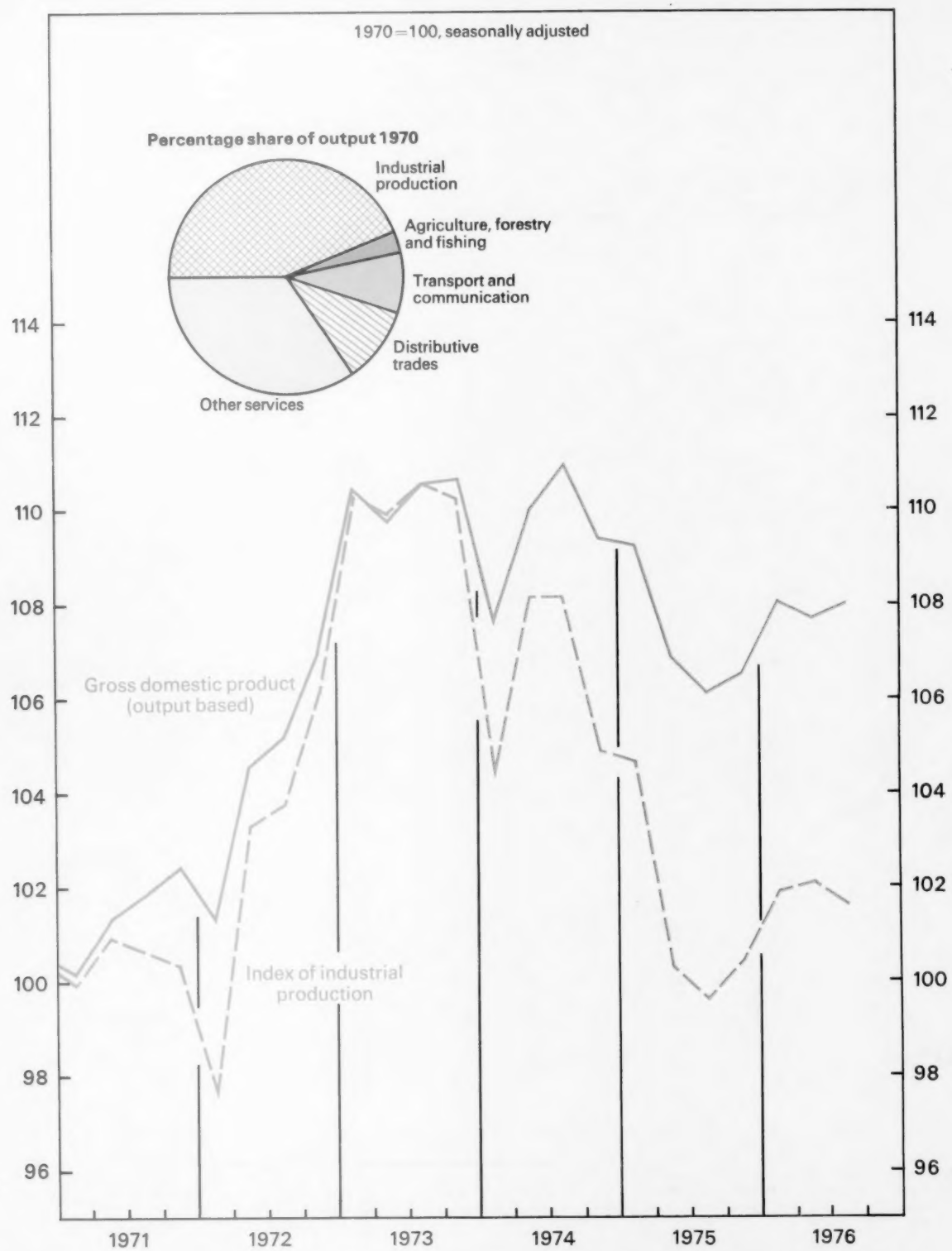
Seasonally adjusted

1970=100

	Gross domestic product (based on output data)[1] §	Agriculture, forestry and fishing	Industrial production[2] §	Transport and communication	Distributive trades	Other services
1970 weights	*1,000*	*30*	*438*	*85*	*104*	*343*
1965	89·3	91	89·1	85	91	90
1966	90·9	91	90·6	88	92	92
1967	92·5	94	91·7	89	94	95
1968	96·3	94	97·2	92	97	96
1969	98·2	95	99·8	96	98	97
1970	100·0	100	100·0	100	100	100
1971	101·5	106	100·5†	101	101	103
1972	104·5	108	102·7	106	107	106
1973	110·4†	111	110·3	114	114	109
1974	109·5	116	106·4	114	113	111
1975	107·2	109	101·2	113	110	113
1970 *3*	100·5	102	100·4†	100	100	100
4	100·6	102	100·5	101	100	101
1971 *1*	100·2	102	99·9	99	99	101
2	101·4	105	101·0	101	101	102
3	101·9†	108	100·7	102	102	103
4	102·5	108	100·4	104	103	104
1972 *1*	101·3	109	97·6	103†	104	105
2	104·6	108	103·3	105	106	106
3	105·2	108	103·8	106	108	106
4	106·9	108	106·1	108	111	107
1973 *1*	110·5	109	110·4	112	115	109
2	109·8	109	109·9	114	112	108
3	110·6	113	110·6	115	114	109
4	110·7	114	110·3	116	115	109
1974 *1*	107·6	114	104·3	113	113	110
2	110·0	115	108·2	114	110	110
3	111·0	116	108·2	115	114	111
4	109·4	117	104·9	115	114	111
1975 *1*	109·3	114†	104·7	115	113	112
2	106·9	111	100·3	114	111	113
3	106·1	108	99·6	112	108	113
4	106·5	105	100·4	112	108	113
1976 *1*	108·1	104	101·9	113	111†	114
2	107·7	103	102·1	114	110	114
3	108·0	100	101·6	115	113	114
4						
	Percentage change, quarter on corresponding quarter of previous year					
1974 *1*	*−2·6†*	*+ 4·7*	*−5·5*	*+ 0·5†*	*−2·3*	*+0·8*
2	*+0·2*	*+ 5·1*	*−1·5*	*− 0·3*	*−1·6*	*+1·9*
3	*+0·4*	*+ 2·6*	*−2·2†*	*—*	*+0·1*	*+1·8*
4	*−1·2*	*+ 2·6*	*−4·9*	*− 0·7*	*−0·5*	*+2·1*
1975 *1*	*+1·6*	*− 0·6†*	*+0·4*	*+ 1·9*	*+0·5*	*+2·3†*
2	*−2·8*	*− 3·2*	*−7·3*	*− 0·1*	*+0·5*	*+2·1*
3	*−4·4*	*− 6·9*	*−7·9*	*− 2·6*	*−5·6*	*+2·2*
4	*−2·6*	*−10·5*	*−4·3*	*− 2·5*	*−5·4*	*+1·6*
1976 *1*	*−1·1*	*− 8·9*	*−2·7*	*− 1·9*	*−2·2†*	*+1·7*
2	*+0·8*	*− 7·2*	*+1·8*	*+ 0·2*	*−0·9*	*+1·4*
3	*+1·8*	*− 7·5*	*+2·0*	*+ 2·8*	*+4·4*	*+1·1*
4						

[1] As from 1970 the gross domestic product is shown adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. The industrial production index is not adjusted for this effect.

[2] This series may not be fully consistent with that shown on page 26 which includes the latest information.


1970=100, seasonally adjusted
Percentage share of output 1970
Industrial production
Agriculture, forestry and fishing
Transport and communication
Distributive trades
Other services
Gross domestic product (output based)
Index of industrial production
114
112
110
108
106
104
102
100
98
96
1971
1972
1973
1974
1975
1976

Engineering and construction: output and orders

Seasonally adjusted volume index numbers

		Engineering industries[1]							Construction (GB)	
		Total			Home market		Export			
		Sales	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Orders on hand end of period	Net new orders	Output[2]	Orders received[3,4]
		1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	December 1970=100	1970 average monthly sales=100	1970=100	1970=100
1965		..	..	..	..	..	..	..	92·0	107·4
1966		..	..	..	..	..	..	..	93·7	102·4
1967		..	..	..	..	..	..	..	100·1	118·1
1968		..	..	..	..	..	..	..	102·3	108·7
1969		97	101	100	102	99	100	102	101·9	102·6
1970		100	100	99	100	99	100	100	100·0	100·0
1971		101	93	97	95	98	89	93	102·9	107·3
1972		101	99	103	103	108	90	91	104·9	113·6
1973		113	133	134	134	136	131	131	107·6	108·9
1974		111	128	109	123	105	139	118	98·8	81·0
1975		108	99	90	91	87	113	98	93·2	78·9
1970	*3*	102	102	98	101	99	103	97	101·8	100·5
	4	100	100	97	100	98	100	95	100·8	95·1
1971	*1*	100	98	95	98	95	99	95	101·7	102·6
	2	101	94	92	94	92	94	91	102·8	107·5
	3	103	94	100	94	101	92	98	102·2	106·9
	4	100	93	99	95	104	89	88	105·0	112·2
1972	*1*	99	97	100	100	106	91	85	106·0	111·0
	2	101	96	100	100	104	90	92	106·6	118·4
	3	102	96	101	100	108	89	84	104·2	105·0
	4	104	99	111	103	114	90	103	102·7	120·1
1973	*1*	112	106	128	111	133	96	116	110·2	118·3
	2	112	113	131	118	134	104	122	106·8	108·6
	3	113	125	144	128	145	118	141	107·2	112·6
	4	114	133	135	134	131	131	144	106·2	96·0
1974	*1*	108	136	117	133	109	142	135	102·2	75·2
	2	112	138	117	133	112	148	128	100·4	74·6
	3	114	134	106	130	106	144	105	98·1	88·7
	4	112	128	97	123	94	139	104	94·5	85·6
1975	*1*	112	119	89	114	89	128	89	93·4	76·4
	2	109	113	95	108	92	124	102	93·5	78·1
	3	107	106	90	100	86	118	101	93·1	82·5
	4	103	99	85	91	80	113	98	92·7	78·6
1976	*1*	103	94	92†	88	90†	106	96†	93·4	85·7
	2	106	90	96	84	91	102	107	90·7	92·6
	3	105	91†	107	82	96	108	134	87·3[5]	79·4[5]†
	4									
1975	*J*	109	109	84	104	77	121	99	..	86·2
	A	102	108	93	102	84	121	115	..	78·5
	S	109	106	94	100	96	118	88	..	82·9
	O	107	103	84	96	79	116	96	..	87·5
	N	103	101	85	94	83	113	89	..	74·4
	D	100	99	87	91	77	113	110	..	73·9
1976	*J*	102	96	84†	89	84†	109	82†	..	76·0
	F	101	95	95	89	94	108†	97	..	88·0
	M	106	94	97	88	92	106	109	..	93·2
	A	108	92	94	86	91	104	100	..	110·2
	M	107	90	94	85†	89	102	104	..	85·8
	J	103†	90	100	84	92	102	117	..	81·7
	J	103	90†	105	82	84	106	155	..	82·1
	A	104	90	103	81	94	108	124	..	82·1[5]†
	S	109	91	114	82	110	108	123	..	74·1[5]
	O	104	91	105	81	92	111	138	..	70·4[5]
	N									
	D									

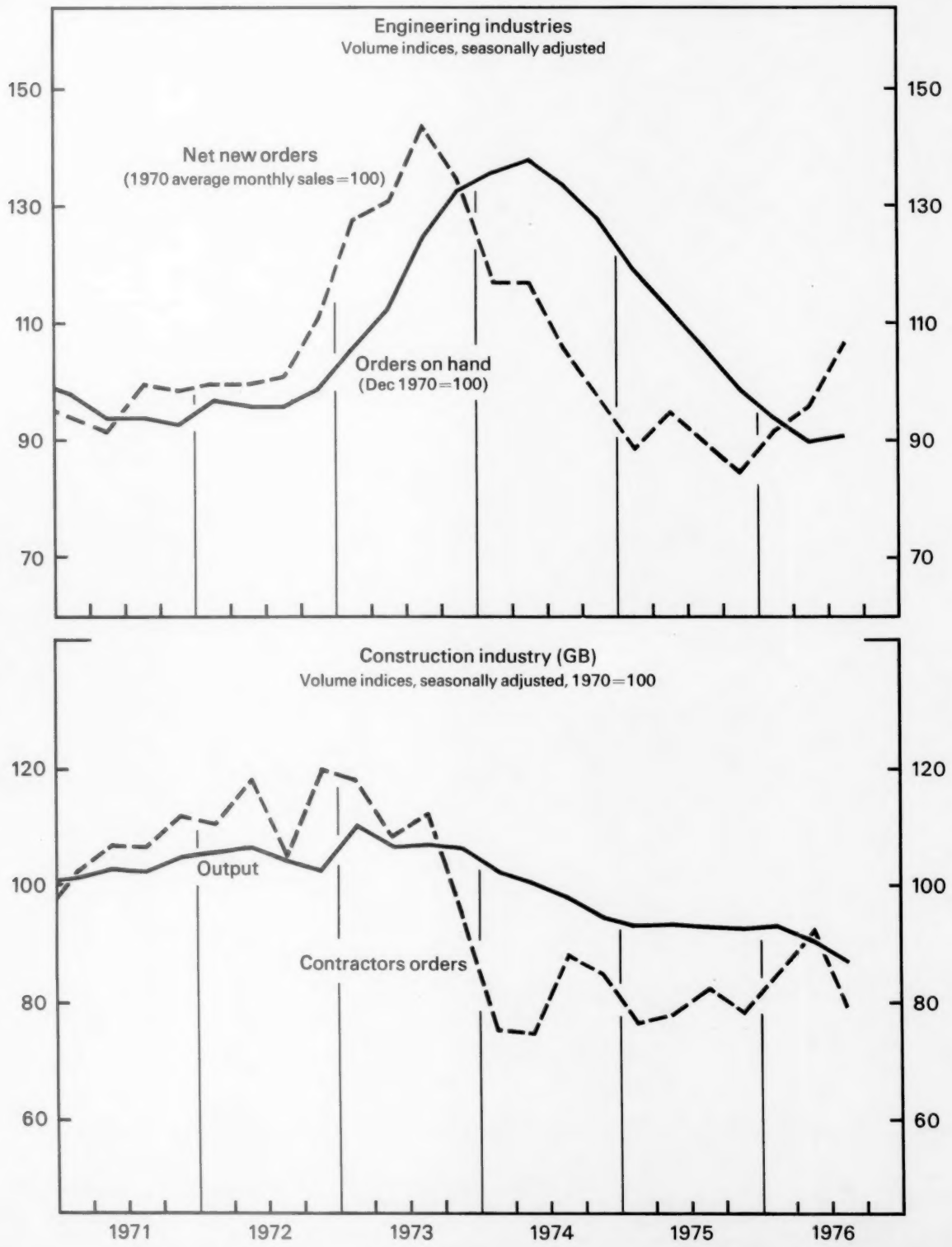
[1] Mechanical instrument and electrical engineering (SIC Orders VII VIII and IX).

[2] This index is based on an output series which includes repair and maintenance estimates of unrecorded output by small firms and self-employed workers and output by the direct labour departments of the public sector.

[3] New orders from July 1974 include orders received by firms mostly small which have now been added to the statistical register. An allowance has been made in the index calculation for this small element of discontinuity.

[4] From April 1976 figures are not precisely comparable with those for earlier periods because of revisions to estimation methods and minor changes in type of work classification.

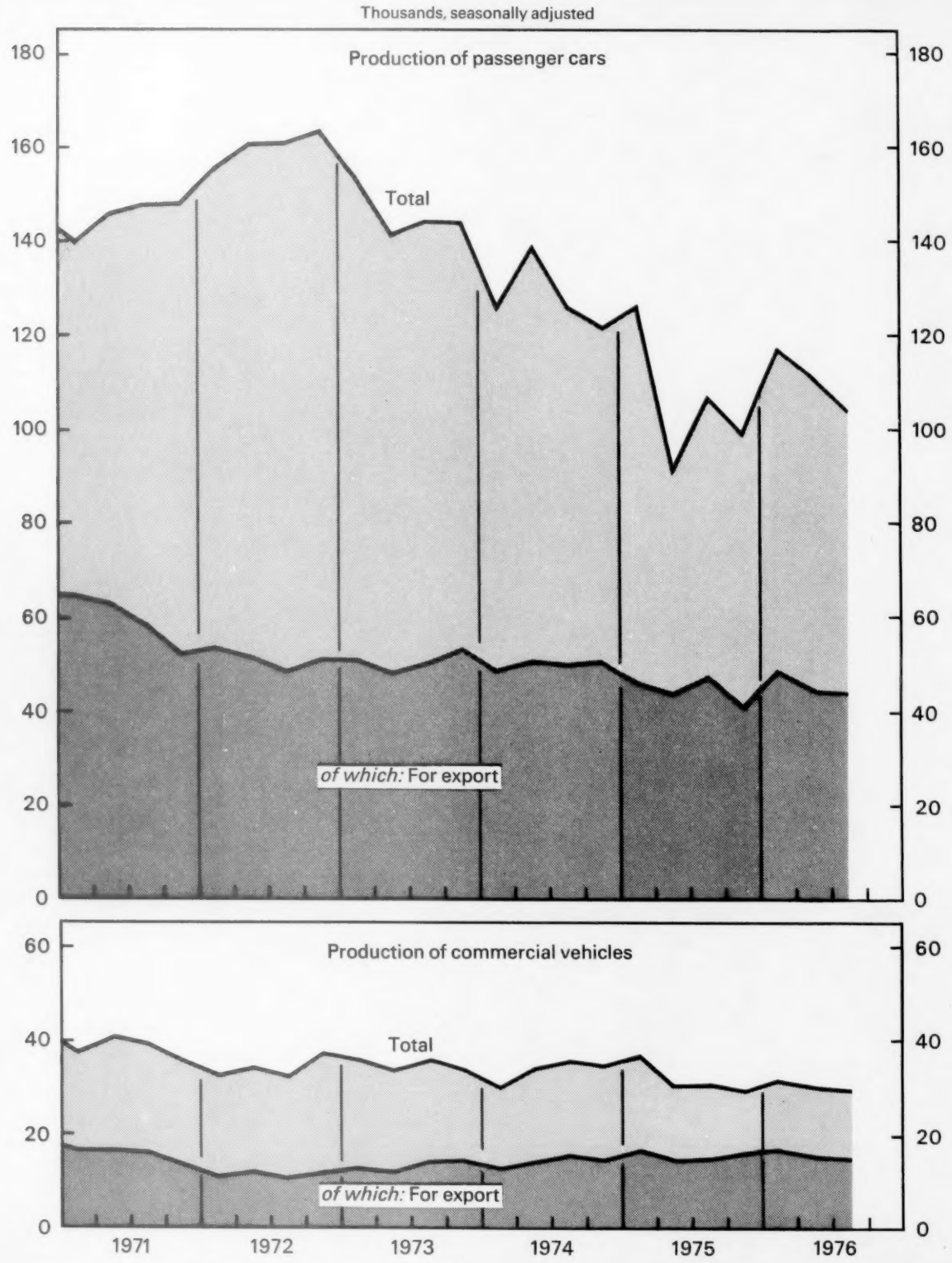
[5] Provisional.


Engineering industries
Volume indices, seasonally adjusted
150
130
110
90
70
Net new orders
(1970 average monthly sales=100)
Orders on hand
(Dec 1970=100)
Construction industry (GB)
Volume indices, seasonally adjusted, 1970=100
120
100
80
60
Output
Contractors orders
1971
1972
1973
1974
1975
1976

Motor vehicle production and steel production and consumption

	Seasonally adjusted							
	Thousands[1]						Thousand tonnes	
	Passenger cars§			Commercial vehicles§				
	Total	*Percentage change on year earlier*[2]	*of which:* For export	Total	*Percentage change on year earlier*[2]	*of which:* For export	Crude steel production[3,4]	Finished steel consumption
1965	143·5	*− 7·8*	54·4	37·9	*− 2·0*	14·5	27,440	16,893
1966	133·6	*− 6·9*	52·1	36·6	*− 3·6*	14·8	24,706	16.466
1967	129·3	*− 3·2*	47·0	32·1	*−12·2*	11·6	24 279	15,840
1968	151·3	*+17·1*	66·9	34·1	*+ 6·3*	12·5	26,277	16,835
1969	143·1	*− 7·2*	68·7	38·8	*+11·7*	16·1	26,846	17,782
1970	136·7	*− 4·4*	60·2	38·1	*+ 0·1*	15·8	27·780[5]	17,637[5]
1971	145·2	*+ 6·2*	59·5	38·0	*− 0·3*	15·7	24,174	16,722
1972	160·1	*+10·3*	51·1	34·0	*−10·6*	11·3	25,321	16,750
1973	145·6	*− 9·1*	50·4	34·7	*+ 2·1*	13·3	26,649	18,445
1974	127·8	*−12·2*	49·7	33·5	*− 3·4*	14·2	22,323	17,548
1975	105·6	*−17·4*	44·3	31·7	*− 5·4*	15·5	19,789	15,446[5]
1971 *3*	147·6	*+26·3*	58·7	39·1	*+25·1*	16·1	6.411	4,067
4	147·8	*+ 1·5*	51·9	35·6	*−15·9*	13·5	5,561	3,977
1972 *1*	155·4	*+11·3*	53·6	32·4	*−12·6*	11·0	5,228	3,933
2	160·7	*+10·3*	51·4	34·1	*−15·5*	12·0	6·519	4,043
3	160·9	*+ 9·0*	48·5	32·2	*−17·5*	10·6	6 732	4,275
4	163·4	*+10·6*	51·0	37·3	*+ 4·8*	11·6	6,875	4,499
1973 *1*	153·8	*− 1·0*	50·8	35·8	*+10·6*	12·7	6,671	4,667
2	140·9	*−12·3*	47·7	33·6	*− 1·5*	12·1	6,415	4,368
3	144·0	*−10·5*	49·9	35·8	*+10·9*	13·9	6,954	4,599
4	143·8	*−12·0*	53·3	33·7	*− 9·6*	14·3	6,649	4,811
1974 *1*	125·2	*−18·6*	48·4	29·9	*−16·4*	12·7	5,218	4,357
2	139·0	*− 1·4*	50·3	33·8	*+ 0·6*	14·0	5,784	4,560
3	125·9	*−12·6*	49·8	35·7	*− 0·1*	15·4	5,763	4,252
4	121·4	*−15·6*	50·2	34·7	*− 3·1*	14·7	5·599	4,379
1975 *1*	126·0	*+ 1·0*	45·8	36·9	*+23·4*	16·5	6,102	4,267
2	90·9	*−34·6*	43·5	30·2	*−10·6*	14·6	4,661	3,695
3	106·9	*−15·1*	47·2	30·3	*−15·2*	14·9	4,231[6]	3,715[6]
4	98·8	*−18·6*	40·9	29·5	*−15·2*	16·1	4,719	3,769
1976 *1*	117·2	*− 7·0*	48·4	31·8	*−13·9*	17·0	5,480	4,074
2	111·5	*+22·7*	44·5	30·4	*+ 0·5*	15·6	5,715	3,884
3	104·3	*− 2·4*	44·3	29·8	*− 1·6*	15·0	5,375	3,783
4								
1975 *A*	113·5	*−11·6*	49·0	33·1	*− 4·2*	15·3	2,014[7]	..
M	68·3	*−54·5*	34·0	30·0	*−11·6*	14·4	1,309	..
J	90·8	*−34·3*	47·6	27·7	*−16·0*	14·1	1,338	..
J	104·0	*−24·5*	47·6	30·0	*−17·8*	15·0	1,510[7]	..
A	96·1	*−31·1*	45·8	29·7	*−18·9*	15·3	1,332	..
S	120·5	*+20·1*	48·3	31·1	*− 8·5*	14·5	1,714[7]	..
O	92·8	*−21·4*	35·7	29·6	*−11·2*	15·7	1,502	..
N	100·7	*−21·1*	43·1	29·2	*−20·7*	16·1	1,516	..
D	102·9	*−13·0*	43·8	29·6	*−13·0*	16·6	1,701[7]	..
1976 *J*	96·8	*−22·2*	41·4	29·6	*−11·4*	17·2	1,575	..
F	133·6	*− 6·0*	53·9	33·3	*−13·6*	17·3	1,731	..
M	121·2	*+ 8·6*	49·9	32·5	*− 4·8*	16·6	2,174[7]	..
A	103·7	*− 8·6*	39·8	29·8	*− 9·7*	15·4	1,748†	..
M	122·0	*+78·7*	48·2	32·4	*+ 8·1*	16·5	1,840	..
J	108·6	*+19·6*	45·4	28·9	*+ 4·5*	15·1	2,127[7]	..
J	132·8	*+27·7*	51·0	3·33	*+11·0*	16·2	1,700	..
A	79·9	*−16·9*	38·2	26·5	*−10·6*	13·8	1,603	..
S	100·3	*−16·8*	43·7	29·5	*− 5·2*	15·1	2,072[7]	..
O	109·4	*+17·9*	47·1	29·9	*+ 0·9*	14·9	1,713	..
N	109·6	*+ 8·9*	50·0	32·6	*+11·4*	15·6	1,844	..
D								

[1] Monthly averages or standardised calendar months.
[2] To take account of the occurrence of 53-week years in 1964 and 1969, the average weekly number of vehicles produced in each year has been used to calculate the percentage changes shown for the annual figures.
[3] From January 1974 the totals are for 'useable steel' in accordance with the system used by EEC and the International Iron and Steel Institute.
[4] The seasonally adjusted quarterly figures are not constrained to sum to the annual totals.
[5] 53-week period; reduced to 52-week basis for comparison purposes.
[6] 14-week period; reduced to 13-week basis for comparison purposes.
[7] Five-week periods.


Thousands, seasonally adjusted
Production of passenger cars
Total
of which: For export
Production of commercial vehicles
Total
of which: For export
180
160
140
120
100
80
60
40
20
0
1971
1972
1973
1974
1975
1976

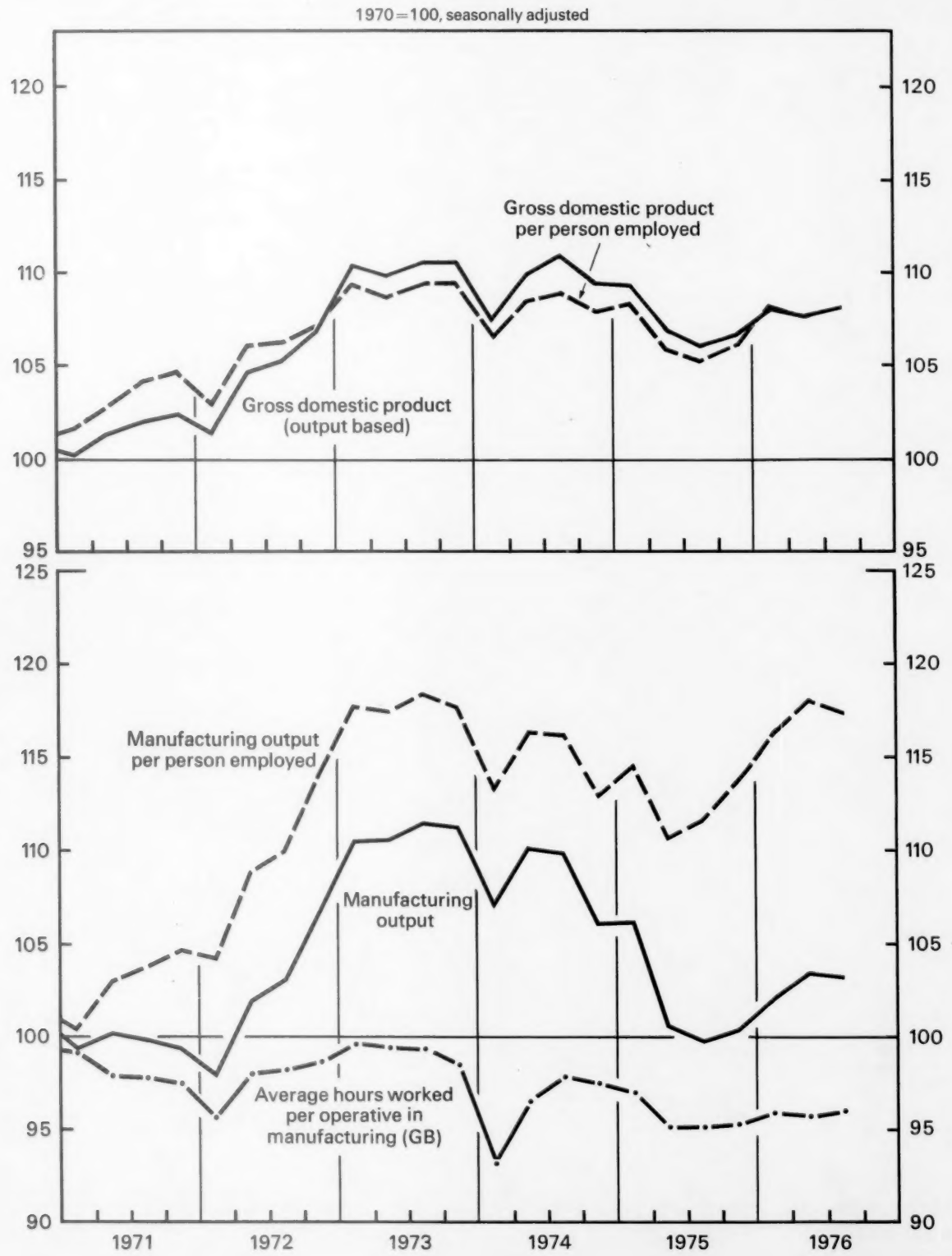
Output per person employed

Seasonally adjusted

1970=100

	Total employed labour force	Employment		Output per person employed[1]		
		Index of production industries	Manufacturing industries	Whole economy	Index of production industries	Manufacturing industries
1965	101·9	105·9	102·6	87·6	84·1	85·4
1966	102·2	105·6	102·6	89·0	85·8	86·9
1967	100·9	102·8	99·8	91·6	89·2	90·0
1968	100·4	101·4	99·0	95·9	95·9	97·0
1969	100·4	101·5	100·3	97·8	98·3	99·3
1970	100·0	100·0	100·0	100·0	100·0	100·0
1971	98·3	96·9	96·8	103·3	103·7	103·0
1972	99·0	94·6	93·7	105·6	108·6	109·3
1973	101·0	95·8	94·2	109·3†	115·1	117·8
1974	101·4	95·6	94·4	108·0	111·3	114·6
1975	100·8	92·3[2]	90·3[2]	106·4	109·6	112·6
1970 *3*	99·9	99·8	99·9	100·6	100·6	100·2
4	99·7	99·2	99·4	100·9	101·3	101·4
1971 *1*	98·6	98·7	98·9	101·6	101·2	100·4
2	98·6	97·3	97·3	102·8	103·8	103·0
3	97·9	96·3	96·2	104·1†	104·6	103·8
4	97·9	95·3	94·9	104·7	105·4	104·7
1972 *1*	98·5	94·6	94·0	102·8	103·2	104·3
2	98·6	94·5	93·7	106·1	109·3	108·8
3	99·0†	94·5	93·6	106·2	109·8	110·0
4	99·7	94·7	93·4	107·2	112·0	114·2
1973 *1*	100·9	95·4	93·8	109·5	115·7	117·8
2	100·9	95·7	94·1	108·8	114·8	117·5
3	101·1	95·9	94·2	109·4	115·3	118·4
4	101·2	96·0	94·6	109·4	114·9	117·7
1974 *1*	101·0	95·8	94·4	106·6	108·9	113·3
2	101·3	95·7	94·6	108·6	113·1	116·4
3	101·7	95·7	94·6	109·0	113·1	116·2
4	101·5	95·0	93·9	107·8	110·4	112·9
1975 *1*	101·0	94·0	92·6	108·3	111·4	114·6
2	101·0	92·8	90·8	105·8	108·1	110·7
3[2]	100·7	91·5	89·3	105·3	108·9	111·6
4	100·5	90·7	88·3	106·0	110·7	113·7
1976 *1*	100·1	90·1	87·7	108·2	113·2†	116·3†
2	100·1	89·9	87·6	107·7	113·9	118·0
3	100·0	89·9	87·9		112·7	117·4
4						
	Percentage change, quarter on corresponding quarter of previous year					
1974 *3*	*+0·6†*	*−0·2*	*+0·4*	*−0·4†*	*−1·9*	*−1·9*
4	*+0·3*	*−1·0*	*−0·7*	*−1·5*	*−3·9*	*−4·1*
1975 *1*	*—*	*−1·9*	*−1·9*	*+1·6*	*+2·3*	*+1·1*
2	*−0·3*	*−3·0*	*−4·0*	*−2·6*	*−4·4*	*−4·9*
3	*−1·0*	*−4·4*	*−5·6*	*−3·4*	*−3·7*	*−4·0*
4	*−1·0*	*−4·5*	*−6·0*	*−1·7*	*+0·3*	*+0·7*
1976 *1*	*−0·9*	*−4·1*	*−5·3*	*−0·1*	*+1·6†*	*+1·5†*
2	*−0·9*	*−3·1*	*−3·5*	*+1·8*	*+5·4*	*+6·6*
3	*−0·7*	*−1·7*	*−1·6*		*+3·5*	*+5·6*
4						

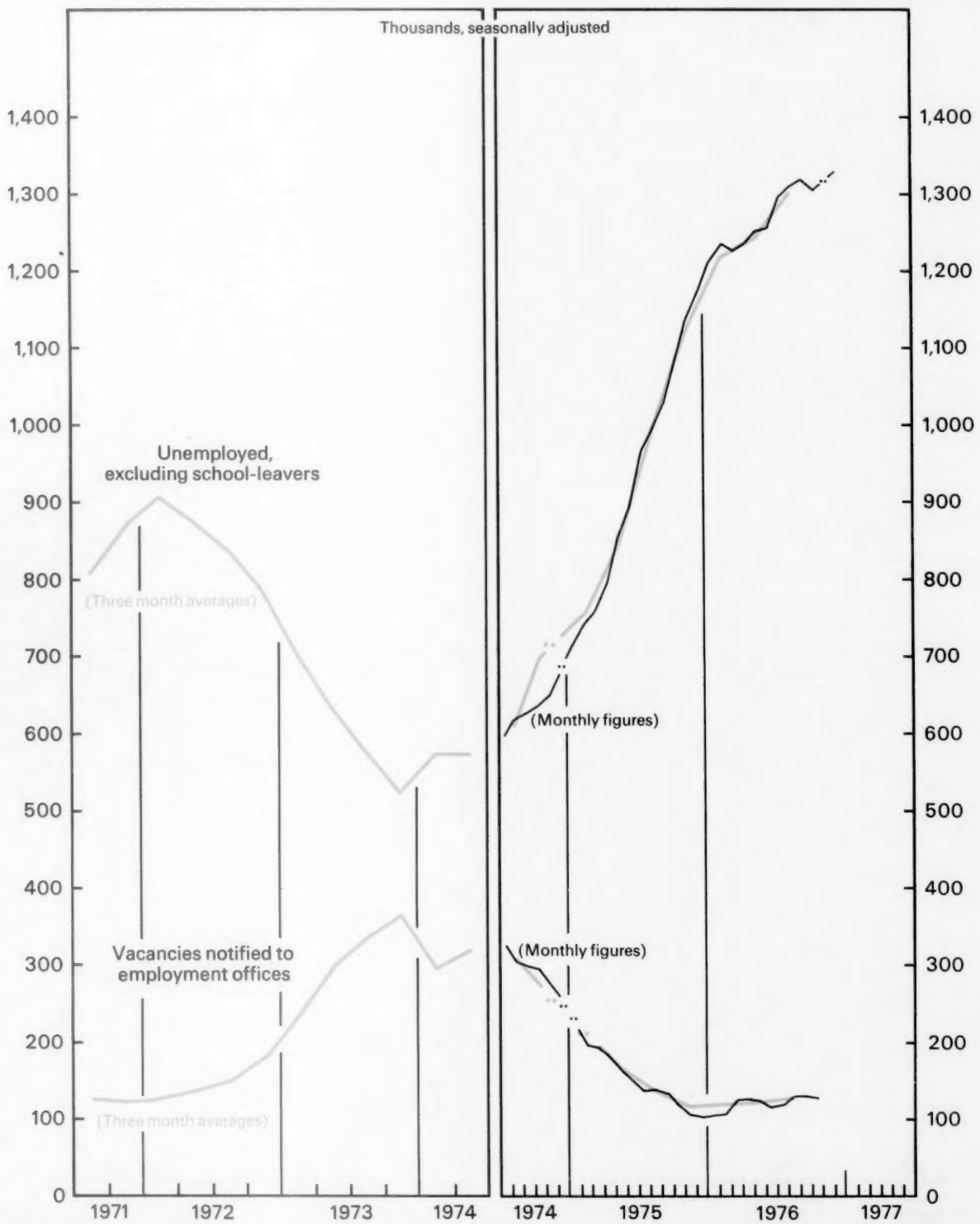
[1] The ratios do not take into account part-time working or hours of work.
[2] Figures after June 1975 are provisional.


1970=100, seasonally adjusted
120
115
110
105
100
95
Gross domestic product per person employed
Gross domestic product (output based)
125
120
115
110
105
100
95
90
Manufacturing output per person employed
Manufacturing output
Average hours worked per operative in manufacturing (GB)
1971
1972
1973
1974
1975
1976

National employment and unemployment[1]†

	Seasonally adjusted								Unadjusted
	United Kingdom						Great Britain Manufacturing industry		United Kingdom
	Thousands			Unemployed excluding school leavers		Thousands	1970=100		Thousands
	Working population[2]	Employed labour force[2]	Employees in employment[2,3]	Thousands	Percentage of employees[4]	Vacancies notified to employment offices§	Employees in employment[2,3]	Average hours worked per operative	Total unemployed including school leavers
1965	25,528	25,182	23,063	338·2	*1·4*	267·0	102·8	102·5	347·1
1966	25,667	25,338	23,240	353·3	*1·5*	256·7	103·1	100·8	361·0
1967	25,526	24,980	22,801	547·2	*2·3*	175·1	99·9	100·1	556·7
1968	25,412	24,826	22,640	574·4	*2·4*	189·5	99·0	100·9	583·3
1969	25,406	24,841	22,608	566·3	*2·4*	202·0	100·3	101·0	576·2
1970	25,336	24,732	24,458	602·0	*2·6*	188·3	100·2	100·0	612·2
1971	25,166	24,390	22,113	775·8	*3·4*	130·9	96·3	98·1	792·1
1972	25,242	24,384	22,114	854·9	*3·7*	147·3	93·4	97·6	875·6
1973	25,600	24,968	22,660	611·0	*2·6*	307·0	94·1	99·5	618·8
1974	25,659	25,061	22,791	599·2[5]	*2·6*[5]	302·2[5]	94·5	96·7	614·9[5]
1975	25,892	24,970	22,709	929·0	*3·9*	148·2[5]	89·9	95·7	977·6
1976									1,358·8[5]
1971 *3*	25,054	24,217	21,942	813·1	*3·6*	122·2	95·7	97·8	811·8
4	25,110	24,207	21 930	871·6	*3·8*	120·5	94·4	97·5	888·5
1972 *1*	25,295	24,371	22,098	910·1	*4·0*	126·1	93·5	95·6	968·9
2	25,242	24,384	22,114	879·0	*3·8*	135·2	93·4	98·0	877·5
3	25,347	24,495	22,210	841·0	*3·7*	149·2	93·3	98·2	851·7
4	25,433	24,658	22,363	789·4	*3·4*	178·5	93·2	98·6	804·4
1973 *1*	25,639	24,960	22,658	705·6	*3·0*	233·5	93·9	99·6	758·9
2	25,600	24,968	22,660	634·7	*2·7*	296·5	94·1	99·4	625·7
3	25,539	25,001	22,701	578·8	*2·5*	336·0	94·0	99·3	568·5
4	25,540	25,032	22,741	524·7	*2·3*	360·7	94·7	98·5	521·9
1974 *1*	25,572	24,985	22,705	577·1	*2·5*	291·9	94·2	93·1	624·9
2	25,659	25,061	22,791	577·4	*2·5*	318·4	94·5	98·5	570·2
3	25,770	25,146	22,874	613·7	*2·6*	308·7	94·4	97·8	628·3
4	..[6]	25,102	22,834	..[6]	..[6]	..[6]	93·4	97·5	..[6]
1975 *1*	25,771	24,992	22,729	737·9	*3·1*	..[6]	91·9	97·0	788·7
2	25,892	24,970	22,709	847·4	*3·6*	164·4	89·9	95·1	853·8
3	26,023[7]	24,908[7]	22,643[7]	1,000·0	*4·2*	133·6	88·8[7]	95·1	1,095·5
4	26,055	24,856	25,592	1,132·1	*4·8*	113·6	87·8	95·2	1,172·3
1976 *1*	26,016	24,753	22,491	1,223·2	*5·2*	115·5	87·4	95·8	1,297·5
2	26,138	24,752	22,491	1,246·5	*5·3*	119·6	87·6	95·7	1,294·9
3	26,162	24,739	22,476	1,307·5	*5·5*	124·7		96·0	1,473·7
4				..[8]	..[8]	..[8]			
1976 *J*	..	..	..	1,210·5	*5·1*	111·1	87·6	95·7	1,303·2
F	..	..	..	1,232·4	*5·2*	113·5	87·5	95·8	1,304·4
M	..	..	..	1,226·6	*5·2*	122·0	87·4	95·8	1,284·9
A	..	..	..	1,233·7	*5·2*	123·9	87·3	95·7	1,281·1
M	..	..	..	1,250·0	*5·3*	120·6	87·3	95·7	1,271·8
J	..	..	..	1,255·7	*5·3*	114·3	87·6	95·7	1,331·8
J	..	..	..	1,294·6	*5·5*	117·6	87·8	95·9	1,463·5
A	..	..	..	1,309·4	*5·6*	127·5	87·6	96·1	1,502·0
S	..	..	..	1,318·6	*5·6*	129·0	87·8	96·1	1,455·7
O	..	..	..	1,305·4	*5·5*	126·2			1,377·1
N	..	..	..	..[8]	..[8]	..[8]			..[8]
D	..	..	..	1,330·0[9]	*5·6*[9]	..[8]			1,371·0[9]

[1] Unemployment figures do not include adult students registered for temporary employment during a current vacation.
[2] The working population consists of the employed labour force and the unemployed (including school-leavers); the employed labour force includes employers, self-employed and H.M. Forces as well as employees in employment.
[3] From 1971, the employees in employment estimates are based on annual census of employment. For the years before 1971 estimates are taken from the continuous employment series published in the October 1975 issue of the *Department of Employment Gazette*. Annual estimates relate the mid-year. From June 1975 the employee in employment figures for the UK which are provisional until the publication of the results of the census of Employment for June 1976, include a constant component for Northern Ireland.
[4] The base used in calculating the percentage rate of unemployment is the appropriate mid-year estimate of total employees (employed and unemployed): The latest figure available is that for mid-1975.
[5] The figures shown are averages of eleven months figures.
[6] Figure not available due to industrial action. For further details see note to page 129 of the *Department of Employment Gazette,* February 1975.
[7] Estimates after June 1975 are provisional.
[8] Because of industrial action by some staff in the Department of Employment group, figures for these months are not available.
[9] Estimates.


Thousands, seasonally adjusted
1,400
1,300
1,200
1,100
1,000
900
800
700
600
500
400
300
200
100
0
Unemployed, excluding school-leavers
(Three month averages)
(Monthly figures)
Vacancies notified to employment offices
(Three month averages)
(Monthly figures)
1971
1972
1973
1974
1974
1975
1976
1977

Regional unemployment rates[1]

Seasonally adjusted

Per cent

		North[2]	Yorkshire and Humberside[2]	East Midlands[2]	East Anglia	South East[2]	South West[2]	West Midlands
1971	1	4·8	3·1	2·5	2·7	1·8	3·0	2·3
	2	5·3	3·6	2·8	3·1	2·0	3·2	2·7
	3	5·8	3·9	3·0	3·2	2·1	3·4	3·1
	4	6·1	4·2	3·1	3·3	2·2	3·6	3·5
1972	1	6·4	4·4	3·2	3·3	2·3	3·7	3·8
	2	6·1	4·2	3·1	2·9	2·2	3·5	3·7
	3	6·0	4·0	2·9	2·7	2·1	3·2	3·4
	4	5·7	3·7	2·7	2·5	1·9	3·0	3·1
1973	1	5·0	3·2	2·3	2·1	1·7	2·6	2·6
	2	4·7	2·9	2·1	1·9	1·5	2·4	2·2
	3	4·3	2·6	1·9	1·8	1·4	2·3	2·0
	4	3·9	2·3	1·8	1·6	1·3	2·1	1·7
1974	1	4·3	2·6	2·0	1·7	1·5	2·3	2·0
	2	4·3	2·5	2·0	1·8	1·5	2·5	2·0
	3	4·5	2·6	2·2	2·0	1·6	2·7	2·1
	4	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]	..[3]
1975	1	4·8	3·0	2·7	2·6	2·0	3·6	2·7
	2	5·2	3·4	3·1	3·0	2·4	4·2	3·4
	3	5·8	4·0	3·7	3·6	2·9	4·8	4·3
	4	6·2	4·6	4·1	4·1	3·4	5·4	5·0
1976	1	6·5	5·0	4·4	4·5	3·8	6·0	5·4
	2	6·8	5·1	4·4	4·6	3·9	6·0	5·3
	3	7·1	5·3	4·7	4·8	4·2	6·2	5·6
	4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]

		North West[2]	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
1971	1	3·1	3·8	5·0	2·8	7·2	2·9
	2	3·6	4·2	5·6	3·2	7·4	3·3
	3	4·0	4·5	6·0	3·5	7·8	3·6
	4	4·5	4·7	6·3	3·7	8·1	3·8
1972	1	4·8	5·0	6·6	3·9	8·1	4·0
	2	4·8	4·8	6·4	3·7	8·1	3·8
	3	4·7	4·6	6·1	3·6	7·6	3·7
	4	4·5	4·4	5·9	3·4	7·0	3·4
1973	1	4·1	3·8	5·2	3·0	6·6	3·0
	2	3·6	3·5	4·7	2·7	6·2	2·7
	3	3·3	3·2	4·2	2·4	5·7	2·5
	4	2·9	3·0	3·8	2·2	5·3	2·3
1974	1	3·2	3·5	3·9	2·4	5·3	2·5
	2	3·2	3·5	3·8	2·4	5·2	2·5
	3	3·4	3·7	3·9	2·6	5·6	2·6
	4	..[3]	..[3]	..[3]	..[3]	5·9	..[3]
1975	1	4·1	4·2	4·2	3·1	6·0	3·1
	2	4·7	4·8	4·5	3·5	6·8	3·6
	3	5·4	5·6	5·2	4·2	7·7	4·2
	4	6·0	6·4	5·7	4·7	8·6	4·8
1976	1	6·3	6·7	6·1	5·1	8·9	5·2
	2	6·4	6·8	6·5	5·2	9·3	5·3
	3	6·6	6·9	6·8	5·4	9·9	5·5
	4	..[4]	..[4]	..[4]	..[4]	..[4]	..[4]

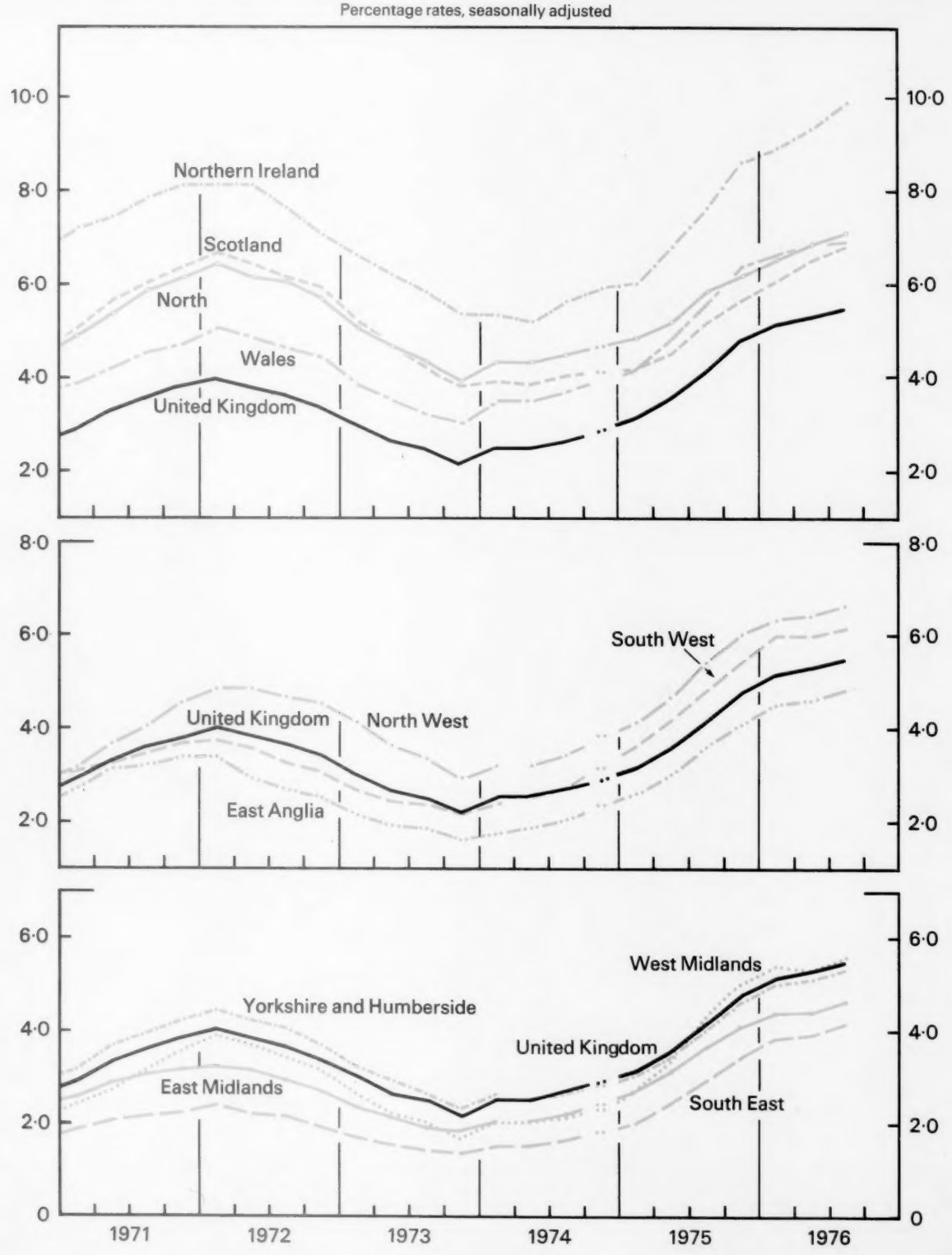
[1] Numbers unemployed excluding school-leavers expressed as a percentage of the appropriate mid-year estimate of total employees (employed and unemployed). The latest figure available is that for mid-1975.

[2] The boundaries of the standard regions were revised in April 1974.

[3] Figure not available due to industrial action. For further details see note on page 129 of the *Department of Employment Gazette*, February 1975.

[4] Because of industrial action by some staff in the Department of Employment group, figures are not available.

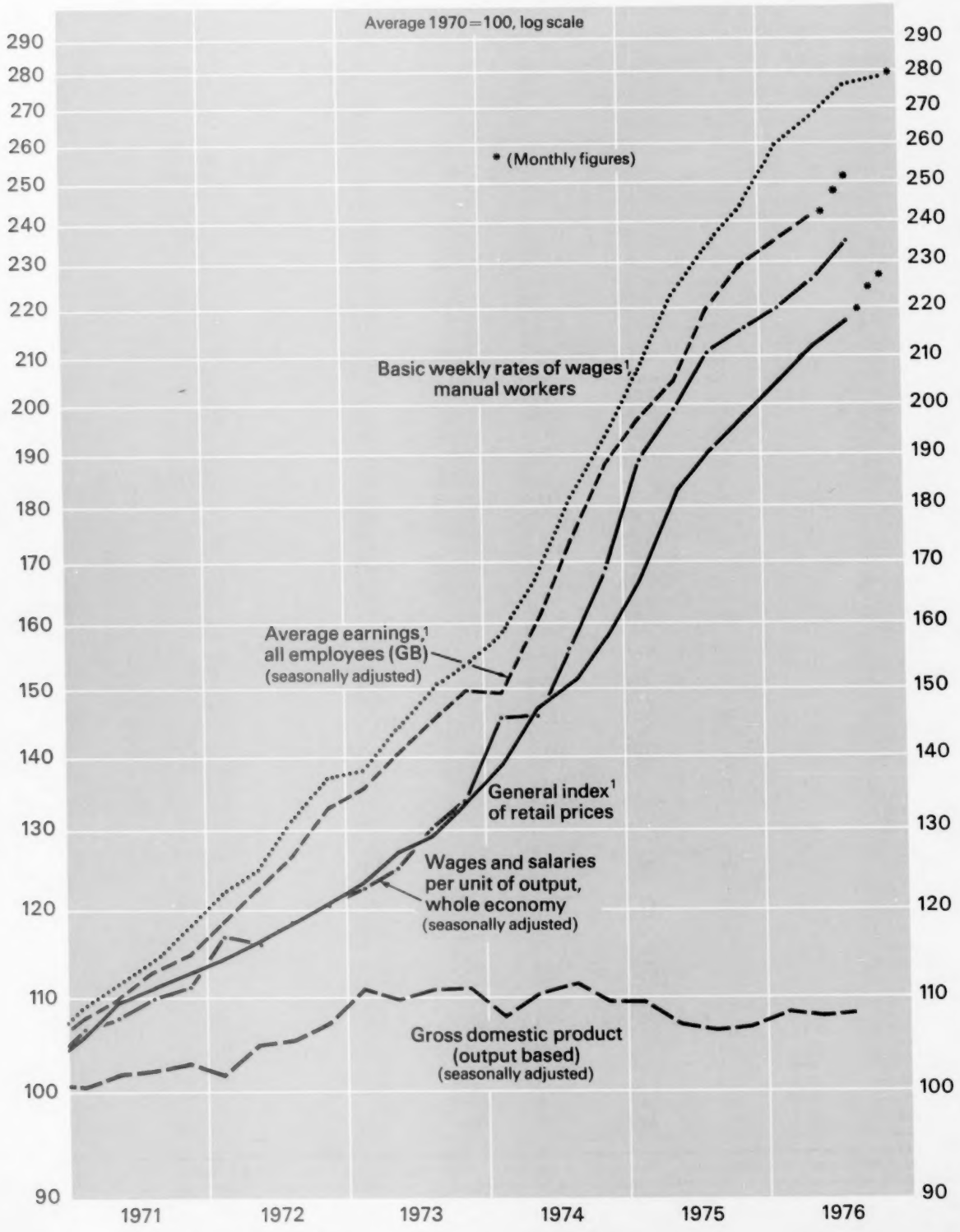
Percentage rates, seasonally adjusted



Wage rates and earnings

	Unadjusted		Seasonally adjusted					
	31 July 1972=100[1]		January 1970=100				1970=100	
	Basic weekly wage rates (manual workers)		Average earnings (GB) (wages and salaries combined)				Wages and salaries per unit of output	
	All industries and services	Manufacturing industry	All industries and services covered§	*Percentage increase on year earlier*	Manufacturing industry	*Percentage increase on year earlier*	Whole economy	Manufacturing industry
1965	58·8	58·4	74·1	*7·1*	73·7	*6·8*	80·0	79·5
1966	61·5	61·2	79·0	*6·6*	78·3	*6·2*	84·1	82·9
1967	63·9	63·6	81·8	*3·6*	81·1	*3·6*	85·5	82·9
1968	68·1	68·4	88·2	*7·8*	87·8	*8·2*	87·4	83·1
1969	71·7	72·1	95·2	*7·8*	95·9	*8·1*	91·2	88·4
1970	78·8	79·4	106·7	*12·1*	107·0	*12·7*	100·0	100·0
1971	89·0	89·3	118·7	*11·3*	118·9	*11·2*	108·7	108·6
1972	101·3	101·5	134·1[2]	. .[3]	134·3[2]	. .[3]	117·7	112·9
1973	115·2	114·6	152·1	. .[3]	151·6	. .[3]	127·8	122·5
1974	138·0	134·3	178·8	*17·5*	177·1	*16·9*	153·9†	149·1
1975	178·7	174·4	226·5	*26·7*	223·7	*26·3*	203·8	197·4
1971 *1*	85·8	86·4	114·9	*13·0*	115·1	*13·4*	106·4	107·5
2	87·6	88·4	117·1	*11·6*	117·4	*11·8*	107·8	107·9
3	89·8	90·0	120·4	*11·1*	120·4	*10·6*	109·7	109·2
4	92·8	92·1	122·5	*9·5*	122·8	*9·1*	110·9†	109·9
1972 *1*	96·0	95·5	126·4[3]	. .[3]	126·8[3]	. .[3]	116·7	. .[3]
2	98·1	98·2	130·5	*11·4*	131·2	*11·7*	115·6	111·8
3	103·4	104·6	135·0	*12·1*	135·7	*12·7*	118·2	114·1
4	107·9	107·6	141·8	*15·8*	140·9	*14·8*	120·2	115·3
1973 *1*	108·7	108·1	144·0	. .[3]	143·7	. .[3]	122·1	115·6
2	113·4	111·7	149·6	*14·6*	148·9	*13·5*	124·9	120·3
3	118·1	117·8	154·7	*14·6*	153·7	*13·3*	130·0	124·1
4	120·6	120·7	159·8	*12·7*	160·0	*13·5*	133·9	130·1
1974 *1*	124·3	122·7	159·1[4]	*10·2*[4]	157·3[4]	*9·5*[4]	145·5	133·4
2	131·7	128·0	170·1	*13·7*	168·5	*13·2*	145·4	139·9
3	143·2	139·4	185·5	*19·9*	184·0	*19·7*	156·3	153·1
4	152·7	147·1	200·3	*25·4*	198·7	*24·2*	168·5	170·4
1975 *1*	162·7	155·1	209·6	*31·7*	207·3	*31·8*	189·0	179·4
2	175·3	171·9	218·1	*28·2*	214·6	*27·3*	198·9	192·5
3	184·3	180·5	234·5	*26·4*	230·7	*25·4*	211·6	205·6
4	192·6	190·1	243·9	*21·8*	242·3	*21·8*	215·8	212·4
1976 *1*	204·2	201·5	250·8	*19·7*	248·9	*20·0*	219·6	215·2
2	211·5	209·0	257·3	*18·0*	257·9	*19·8*	225·1	218·3
3	217·8	212·5					234·8	
4	219·3	213·1						
1975 *J*	183·7	179·6	231·6	*27·6*	227·5	*26·5*	. .	202·2
A	184·4	180·6	234·0	*25·9*	230·7	*25·5*	. .	206·2
S	184·9	181·4	237·9	*25·8*	233·9	*24·3*	. .	208·3
O	186·3	182·1	239·5	*24·9*	237·5	*24·3*	. .	209·2
N	194·4	193·7	243·5	*21·3*	241·7	*20·9*	. .	213·4
D	197·0	194·4	248·6	*19·3*	247·6	*20·7*	. .	214·6
1976 *J*	200·9	197·7	248·8	*20·7*	246·4	*20·8*	. .	215·4
F	205·1	203·1	249·7	*19·0*	247·6	*19·5*	. .	214·6
M	206·7	203·8	254·0	*19·4*	252·7	*19·9*	. .	215·5
A	208·8	206·8	253·8	*17·9*	253·2	*19·4*	. .	215·7
M	210·5	209·1	259·8	*19·3*	259·5	*21·4*	. .	218·2
J	215·3	211·2	258·3	*16·8*	158·4	*18·6*	. .	220·9
J	217·7	212·3	263·9	*13·9*	262·3	*15·3*	. .	225·5
A	217·8	212·5	267·7[5]	*14·4*[5]	265·5[5]	*15·1*[5]	. .	
S	217·9	212·7	. .[6]	. .[6]	. .[6]	. .[6]	. .	
O	218·2	212·7	. .[6]	. .[6]	. .[6]	. .[6]	. .	
N	219·4†	213·3						
D	220·2	213·3						

[1] Prior to July 1972 the series was based on 31 January 1956=100. Figures before July 1972 have therefore been linked.
[2] Average of 11 months. See footnote[3].
[3] In the absence of earnings data for February 1972 due to the effects of the coalmining dispute, no index of wages and salaries per unit of output or index of average earnings has been calculated for that month. The indices calculated for January and March 1972 are less reliable than usual.
[4] The figures reflect temporary reductions in earnings while three-day working and other restrictions were in operation. [5] Provisional.
[6] As a consequence of industrial action by certain Department of Employment staff, these figures are not yet available.

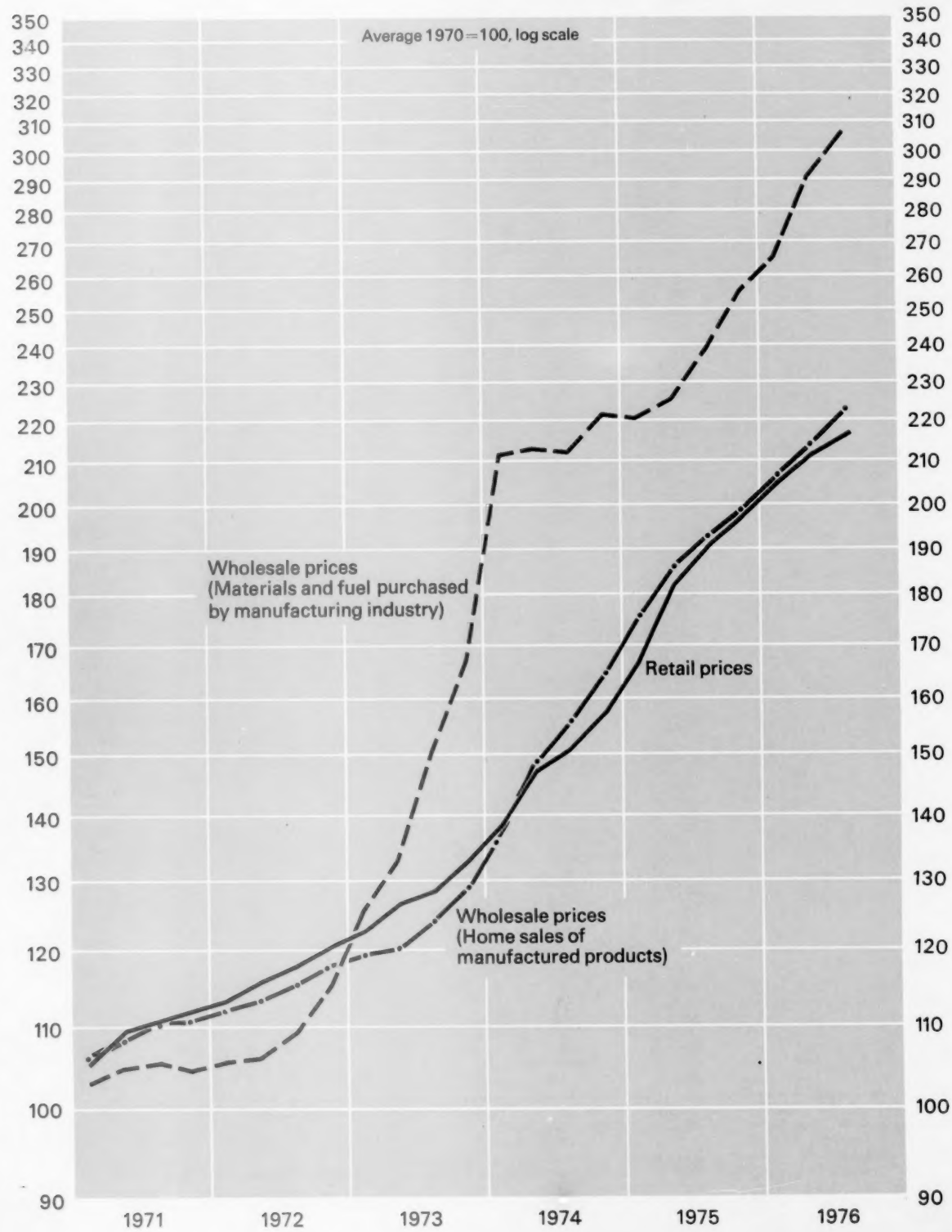


[1] Quarterly average of monthly figures

Prices

		Unadjusted										
		Average 1970=100										Average 1970=100 p
		Wholesale prices index		General index of retail prices						Pensioner price index[1]		
		Materials and fuel purchased by manufacturing industry[2]	Output All manufactured products Home sales[3]	All items Index	All items *Percentage increase on year earlier*	Total food	Total non-food	All items other than seasonal food Index	All items other than seasonal food *Percentage increase on year earlier*	One person household	Two person household	Purchasing power of the pound[4]
1965		82·2	83·3	80·0	*4·8*	79·7	80·0	80·2	*4·7*	79·5	79·8	125
1966		84·2	85·6	83·1	*3·9*	82·5	83·3	83·2	*3·7*	83·0	83·0	120½
1967		83·8	86·5	85·2	*2·5*	84·6	85·4	85·2	*2·4*	84·9	85·0	117½
1968		91·5	89·9	89·2	*4·7*	87·9	89·6	89·3	*4·8*	88·8	88·8	112
1969		95·0	93·4	94·0	*5·4*	93·5	94·2	93·9	*5·2*	93·5	93·7	106½
1970		100·0	100·0	100·0	*6·4*	100·0	100·0	100·0	*6·5*	100·0	100·0	100
1971		104·6	109·0	109·4	*9·4*	111·1	108·9	109·5	*9·5*	110·1	109·9	91½
1972		109·2	114·8	117·2	*7·1*	120·9	116·0	117·0	*6·9*	118·5	118·0	85½
1973		144·5	123·2	128·0	*9·2*	139·1	124·4	126·7	*8·3*	130·0	130·1	78
1974		215·3	152·0	148·5	*16·1*	164·2	143·4	147·0	*16·0*	150·9	151·1	67½
1975		235·4	188·7	184·4	*24·2*	206·1	177·5	182·6	*24·2*	189·8	189·4	54
1970	*3*	99·8	100·9	100·6	*6·9*	100·4	100·7	100·8	*7·0*	100·1	100·2	99½
	4	101·4	103·4	102·7	*7·7*	101·8	103·1	103·1	*8·0*	102·8	102·6	97
1971	*1*	103·0	106·3	105·5	*8·6*	105·6	105·4	105·6	*8·8*	105·9	105·8	95
	2	104·9	108·7	109·3	*9·8*	111·5	108·6	109·0	*10·2*	109·4	109·3	91½
	3	105·6	110·3	110·8	*10·1*	112·8	110·1	110·9	*10·0*	111·6	111·3	90
	4	104·8	110·8	112·2	*9·2*	114·4	111·5	112·3	*8·9*	113·6	113·0	89
1972	*1*	105·6	112·1	113·9	*8·0*	117·8	112·6	113·9	*7·9*	115·9	115·3	88
	2	106·1	113·5	116·0	*6·2*	119·0	115·0	115·9	*6·3*	117·3	116·7	86
	3	109·4	115·6	118·0	*6·5*	122·3	116·5	117·8	*6·2*	119·1	118·8	85
	4	115·6	118·0	120·8	*7·7*	124·7	119·6	120·7	*7·4*	122·0	121·4	83
1973	*1*	126·0	119·5	123·0	*8·0*	131·1	120·3	122·2	*7·3*	125·0	124·9	81½
	2	133·3	120·1	126·9	*9·3*	137·4	123·5	125·2	*8·1*	129·0	129·1	79
	3	150·9	124·2	128·8	*9·2*	139·8	125·3	127·7	*8·5*	130·2	130·4	77½
	4	167·6	129·1	133·2	*10·3*	148·1	128·5	131·8	*9·2*	135·7	135·9	75
1974	*1*	212·5	138·3	138·8	*12·9*	156·2	133·3	137·2	*12·3*	142·2	142·2	72
	2	213·7	148·9	147·0	*15·9*	161·7	142·2	145·3	*16·0*	148·0	148·8	68
	3	212·9	156·1	150·7	*17·0*	164·5	146·1	149·4	*17·0*	152·7	152·9	66½
	4	222·1	164·9	157·5	*18·2*	174·3	152·0	156·1	*18·5*	160·7	160·5	63½
1975	*1*	220·9	176·0	167·0	*20·3*	188·5	160·2	165·6	*20·7*	170·6	170·3	60
	2	225·6	186·3	182·7	*24·3*	205·9	175·4	180·7	*24·4*	188·9	188·5	54½
	3	239·3	193·4	190·7	*26·5*	211·3	184·0	188·7	*26·3*	195·8	195·7	52½
	4	256·1	199·1	197·3	*25·3*	218·7	190·3	195·2	*25·0*	203·9	203·1	50½
1976	*1*	266·5	206·9	204·5	*22·5*	234·2	195·3	200·9	*21·3*	214·3	213·2	49
	2	292·6	214·4	211·9	*16·0*	242·6	202·6	207·9	*15·1*	222·7	221·3	47
	3	306·8	223·2	216·8	*13·7*	145·5	207·8	214·0	*13·4*	227·0	225·8	46
	4	330·1[5]	233·9[5]									
1975	*J*	233·2	191·7	189·4	*26·3*	210·8	182·5	187·1	*25·9*	..	..	53
	A	241·4	193·5	190·6	*26·9*	210·8	184·0	188·7	*26·7*	..	..	52½
	S	243·2	194·9	192·2	*26·6*	212·3	185·6	190·4	*26·4*	..	..	52
	O	252·2	197·0	194·9	*25·9*	214·1	188·6	192·9	*25·6*	..	..	51½
	N	256·7	198·9	197·3	*25·2*	219·0	190·2	195·2	*25·0*	..	..	50½
	D	259·5	201·5	199·7	*24·9*	223·1	192·2	197·4	*24·4*	..	..	50
1976	*J*	261·5	204·8	202·4	*23·4*	229·4	193·9	199·4	*22·5*	..	..	49½
	F	263·9	207·3	204·9	*22·9*	235·3	195·5	201·3	*21·6*	..	..	49
	M	274·2	208·6	206·1	*21·2*	237·9	196·4	202·0	*19·8*	..	..	48½
	A	286·3	211·5	210·0	*18·9*	242·4	200·3	205·6	*17·6*	..	..	47½
	M	292·0	214·8	212·3	*15·4*	243·0	202·9	208·3	*14·4*	..	..	47
	J	299·6	217·0	213·4	*13·8*	242·4	204·5	209·9	*13·3*	..	..	47
	J	302·0	219·8	213·8	*12·9*	237·3	206·1	211·8	*13·2*	..	..	47
	A	304·0	223·4	216·8	*13·8*	245·0	208·0	214·1	*13·5*	..	..	46
	S	314·4	226·3	219·7	*14·3*	254·3	209·2	216·1	*13·6*	..	..	45½
	O	327·7†	230·0†	223·7	*14·7*	261·9	212·2	219·9	*14·0*	..	..	44½
	N	331·8	234·4	226·8	*15·0*	267·1	214·8	222·6	*14·0*	..	..	44
	D	330·7[5]	237·3[5]									

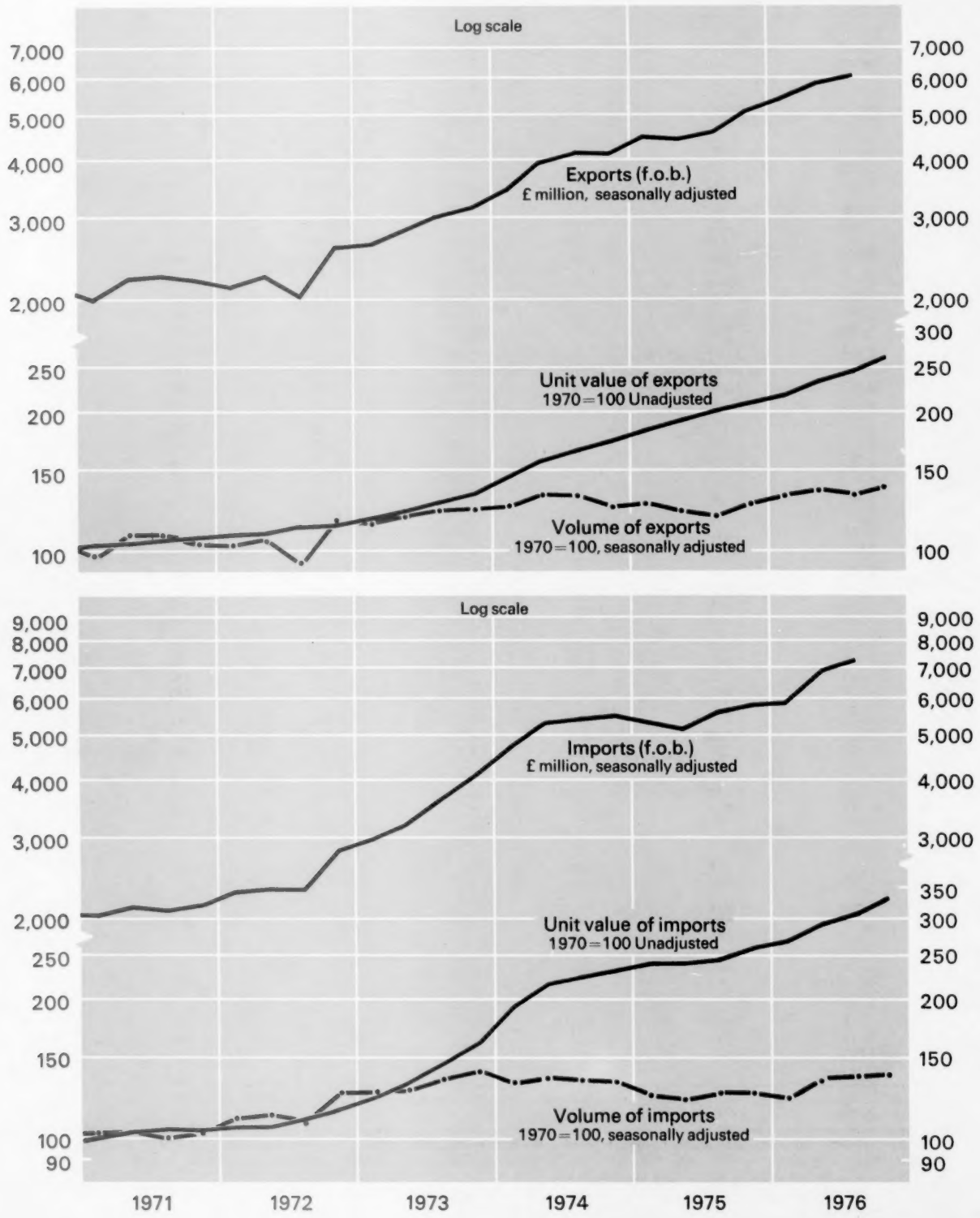
[1] All items except housing. [2] Revised method of calculation to include levies on certain imported foods from 3rd quarter 1971.
[3] Reductions in the VAT-exclusive prices of alcoholic liquor, tobacco and cigarettes, matches and mechanical lighters took place in April 1973. These reductions resulted from lower revenue duties designed to offset additional tax revenue from VAT. With unchanged prices in April for these products. Index numbers from 2nd quarter 1973 onwards would have been higher by 1·7.
[4] Movements in the purchasing power of the pound are based on movements in the general index of retail prices. [5] Provisional.


Average 1970=100, log scale
350
340
330
320
310
300
290
280
270
260
250
240
230
220
210
200
190
180
170
160
150
140
130
120
110
100
90
Wholesale prices
(Materials and fuel purchased
by manufacturing industry)
Retail prices
Wholesale prices
(Home sales of
manufactured products)
1971
1972
1973
1974
1975
1976

Visible trade

	Seasonally adjusted		Unadjusted					
	1970=100		1970=100				1970=100	19 December 1971[1]=100
	Volume indices[2]		Unit value indices[2]			Trade competitiveness index[4]	World commodity prices index[5]	Sterling effective exchange rate
	Exports	Imports	Exports	Imports	Terms of trade[3]			
1966	79·9	79·0	82·2	82·6	99·6	106·3	81	..
1967	78·9	85·5	83·4	82·8	100·8	106·0	80	..
1968	88·5	94·0	90·0	92·7	97·1	99·5	91	..
1969	96·7	94·5	93·0	95·6	97·3	98·9[6]	96	99·95
1970	100·0	100·0	100·0	100·0	100·0	100·3[6]	100	98·95
1971	106·7	104·2	105·6	104·7	100·9	102·4	105	98·77
1972	106·6	116·3	111·1	109·7	101·3	102·6	116	94·99
1973	121·8	133·9	126·0	139·7	90·2	94·0	168	85·42
1974	130·1	135·2	162·7	218·0	74·6	92·8	295	82·16
1975	124·9	125·6	198·5	245·7	80·8		300	74·32
1976	135·4[7]	134·2[7]	240·6[7]	301·3[7]	79·9[7]			
1971 *1*	99·5	103·9	104·1	102·3	101·8	101·7	104	99·22
2	110·4	105·1	105·3	105·7	99·7	101·3	107	99·03
3	110·3	102·2	107·3	106·5	100·7	102·5	106	98·32
4	106·4	105·5	109·0	105·8	103·0	103·9	104	98·51
1972 *1*	104·5	112·2	110·2	107·2	102·8	106·1	109	99·31
2	108·7	113·6	110·7	107·7	102·8	105·5	110	98·20
3	94·5	110·6	114·0	111·5	102·2	101·4	119	92·65
4	118·6	128·8	115·1	116·6	98·7	97·5	127	89·79
1973 *1*	117·0	128·1	119·3	123·4	96·7	96·7	141	88·95
2	120·3	129·6	123·8	133·1	93·0	97·3	153	88·41
3	124·8	136·9	129·1	146·7	88·0	91·3	174	82·75
4	125·3	141·1	136·1	162·0	84·0	90·7	205	81·57
1974 *1*	126·7	133·9	147·2	194·9	75·5	90·7	295	82·55
2	134·0	137·5	159·9	218·7	73·1	93·2†	289	83·01
3	133·4	136·4	168·1	224·5	74·9	93·5	292	82·62
4	126·5	133·0	175·8	231·7	75·9	93·6	303	80·44
1975 *1*	128·9	125·4	184·9	240·5	76·9	93·7	287	78·43
2	122·6	122·2	193·4	241·1	80·2	95·4	284	75·90
3	120·0	127·4	202·2	247·1	81·8		306	72·64
4	128·3	127·2	210·1	260·4	80·7		324	70·36
1976 *1*	131·6	124·1	219·0	270·0	81·1		338	68·92
2	137·1	136·7	234·2	293·6	79·8		380	61·98
3	133·1	137·2	247·4	309·3	80·0		394[7]	60·29
4	139·8[7]	138·7[7]	261·7[7]	332·1[7]	78·8[7]		426[8]	54·60
1975 *J*	123·0	134·3	199·2	244·2	81·6	..	..	73·23
A	115·2	124·9	202·5	247·7	81·7	..	..	72·47
S	121·9	123·1	204·9	249·6	82·1	..	..	72·23
O	130·5	128·9	207·2	255·8	81·0	..	..	70·70
N	123·4	128·0	210·5	260·5	80·8	..	..	70·45
D	130·9	124·7	212·6	264·8	80·3	..	..	69·92
1976 *J*	131·5	125·2	215·6	266·5	80·9	..	..	69·99
F	128·4	127·1	218·9	269·5	81·2	..	..	69·70
M	134·9	119·9	222·6	274·0	81·2	..	..	67·08
A	134·8	133·6	228·4	285·4	80·0	..	..	63·34
M	138·2	139·4	233·9	294·2	79·5†	..	..	62·03
J	138·3	137·1	240·4	301·1	79·8	..	..	60·56
J	129·9	140·3	242·6	306·1	79·3†	..	..	61·47
A	132·6	131·2	247·9	308·0	80·5	..	..	61·01
S	136·7	140·1	251·7	313·8	80·2	..	..	58·38
O	140·1	142·6	256·4	324·0	79·2			54·32
N	136·6†	142·2†	261·8†	334·8†	78·2†			54·09
D	142·6[7]	131·4[7]	266·9[7]	337·4[7]	79·1[7]			55·38

[1] Date of the Smithsonian agreement. Monthly figures are trade-weighted averages of daily rates. A methodological article on the 'effective' exchange rate was published in the June 1974 issue of *Economic Trends*.
[2] On a balance of payments basis.
[3] Unit value index for exports expressed as a percentage of unit value index for imports.
[4] The ratio of UK to weighted average export (dollar) prices for major competitors in respect of manufactured goods.
[5] Weighted average, in sterling terms, of United Nations Index numbers for primary commodities and non-ferrous metals.
[6] Differences in quarterly and annual averages for 1969 and 1970 are due to the effects of adjusting the UK series for export over-valuation.
[7] Provisional.
[8] This figure is a projection by the Department of Industry.


Log scale
7,000
6,000
5,000
4,000
3,000
2,000
Exports (f.o.b.)
£ million, seasonally adjusted
300
250
200
150
100
Unit value of exports
1970=100 Unadjusted
Volume of exports
1970=100, seasonally adjusted
Log scale
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
Imports (f.o.b.)
£ million, seasonally adjusted
350
300
250
200
150
100
90
Unit value of imports
1970=100 Unadjusted
Volume of imports
1970=100, seasonally adjusted
1971
1972
1973
1974
1975
1976

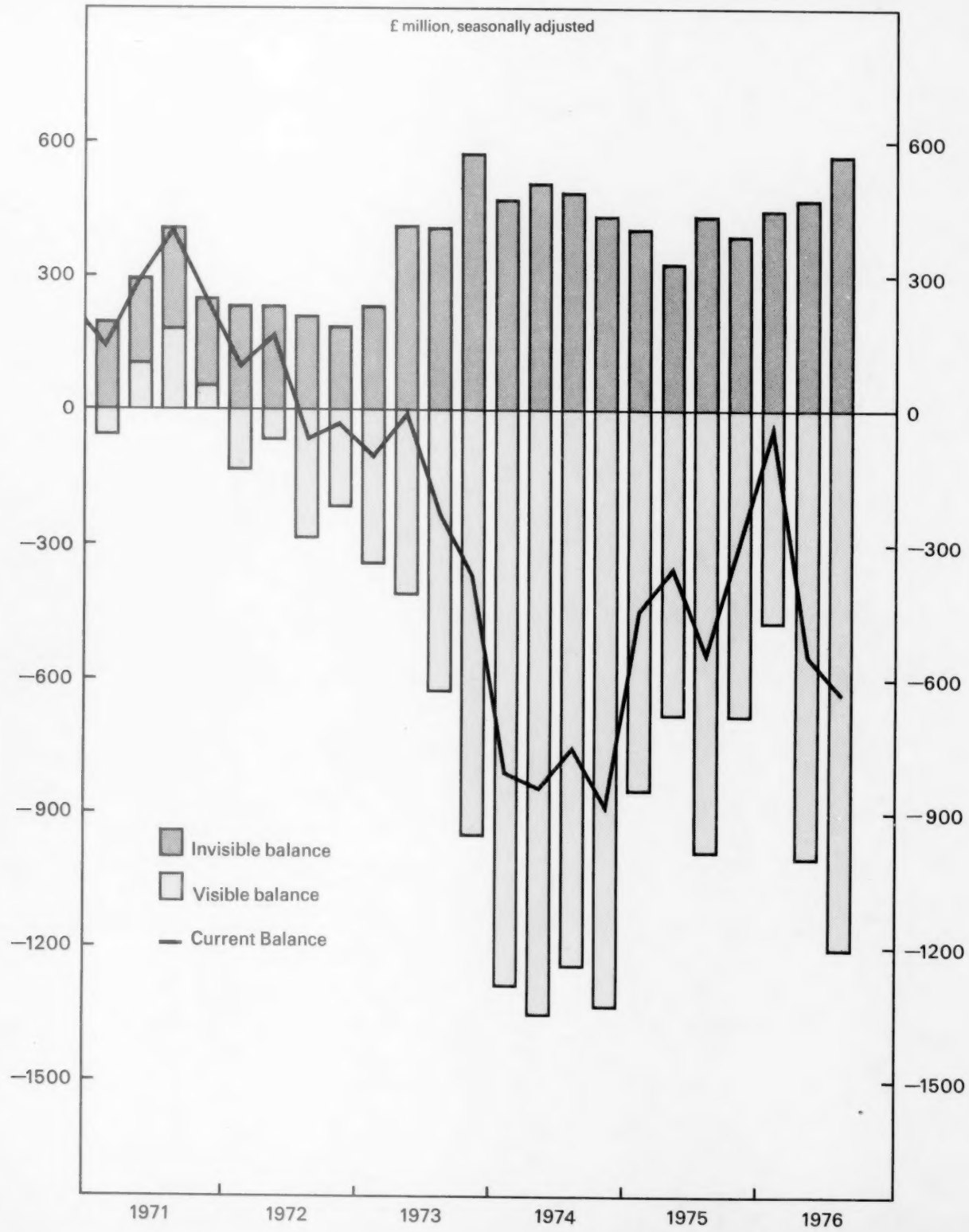
Balance of payments: current account

Seasonally adjusted

£ million

	Visible trade			Invisibles			
	Exports (f.o.b.) §	Imports (f.o.b.) §	Total	Credits	Debits	Balance	Current balance
1965	4,848	5,071	− 223	2,871	2,674	+ 197	− 26
1966	5,203	5,269	− 66	2,955	2,788	+ 167	+ 101
1967	5,139	5,693	− 554	3,245	2,989	+ 256	− 298
1968	6,282	6,949	− 667	3,809	3,414	+ 395	− 272
1969	7,075	7,231	− 156	4,315	3,699	+ 616	+ 460
1970	7,907	7,932	− 25	5,006	4,248	+ 758	+ 733
1971	8,810	8,530	+ 280	5,550	4,746	+ 804	+1,084
1972	9,141	9,843	− 702	6,109	5,253	+ 856	+ 154
1973	11,772	14,106	−2,334	8,396	6,774	+1,622	− 712
1974	15,899	21,119	−5,220	10,169	8,272	+1,897	−3,323
1975	18,768	21,972	−3,204	11,047	9,499	+1,548	−1,656
1971 *1*	2,010	2,068	− 58	1,351	1,154	+ 197	+ 139
2	2,265	2,161	+ 104	1,386	1,198	+ 188	+ 292
3	2,293	2,113	+ 180	1,402	1,177	+ 225	+ 405
4	2,242	2,188	+ 54	1,411	1,217	+ 194	+ 248
1972 *1*	2,178	2,312	− 134	1,483	1,251	+ 232	+ 98
2	2,290	2,356	− 66	1,501	1,270	+ 231	+ 165
3	2,060	2,344	− 284	1,550	1,342	+ 208	− 76
4	2,613	2,831	− 218	1,575	1,390	+ 185	− 33
1973 *1*	2,665	3,008	− 343	1,780	1,549	+ 231	− 112
2	2,839	3,253	− 414	2,074	1,664	+ 410	− 4
3	3,065	3,693	− 628	2,128	1,721	+ 407	− 221
4	3,203	4,152	− 949	2,414	1,840	+ 574	− 375
1974 *1*	3,481	4,769	−1,288	2,469	1,999	+ 470	− 818
2	4,008	5,363	−1,355	2,533	2,028	+ 505	− 850
3	4,223	5,465	−1,242	2,527	2,041	+ 486	− 756
4	4,187	5,522	−1,335	2,640	2,204	+ 436	− 899
1975 *1*	4,531	5,383	− 852	2,661	2,258	+ 403	− 449
2	4,479	5,160	− 681	2,705	2,381	+ 324	− 357
3	4,632	5,621	− 989	2,792	2,358	+ 434	− 555
4	5,126	5,808	− 682	2,889	2,502	+ 387	− 295
1976 *1*	5,419	5,897	− 478	3,057	2,612	+ 445	− 33
2	5,992	6,996	−1,004	3,254	2,783	+ 471	− 533
3	6,121	7,327	−1,206	3,477	2,908	+ 569	− 637
4							
1975 *J*	1,566	1,943	− 377	..	..		..
A	1,485	1,886	− 401	..	..	+ 434	..
S	1,581	1,792	− 211	..	..		..
O	1,729	1,946	− 217	..	..		..
N	1,637	1,917	− 280	..	..	+ 387	..
D	1,760	1,945	− 185	..	..		..
1976 *J*	1,778†	1,964†	− 186†	..	..		..
F	1,761	2,004	− 243	..	..	+ 445	..
M	1,906	1,925	− 19	..	..		..
A	1,932	2,224	− 292	..	..		..
M	2,018	2,369	− 351	..	..	+ 471	..
J	2,070	2,395	− 325	..	..		..
J	1,959	2,474	− 515	..	..		..
A	2,049	2,333	− 284	..	..	+ 569	..
S	2,142	2,509	− 367	..	..		..
O	2,231	2,572	− 341	..	..	+ 200[1]	− 141†
N	2,225	2,734	− 509	..	..	+ 200[1]	− 309
D	2,362	2,541	− 179	..	..	+ 200[1]	+ 21

[1] These figures are projections and are subject to revision as the relevant statistical information becomes available.


£ million, seasonally adjusted
600
300
0
−300
−600
−900
−1200
−1500
Invisible balance
Visible balance
Current Balance
1971
1972
1973
1974
1975
1976

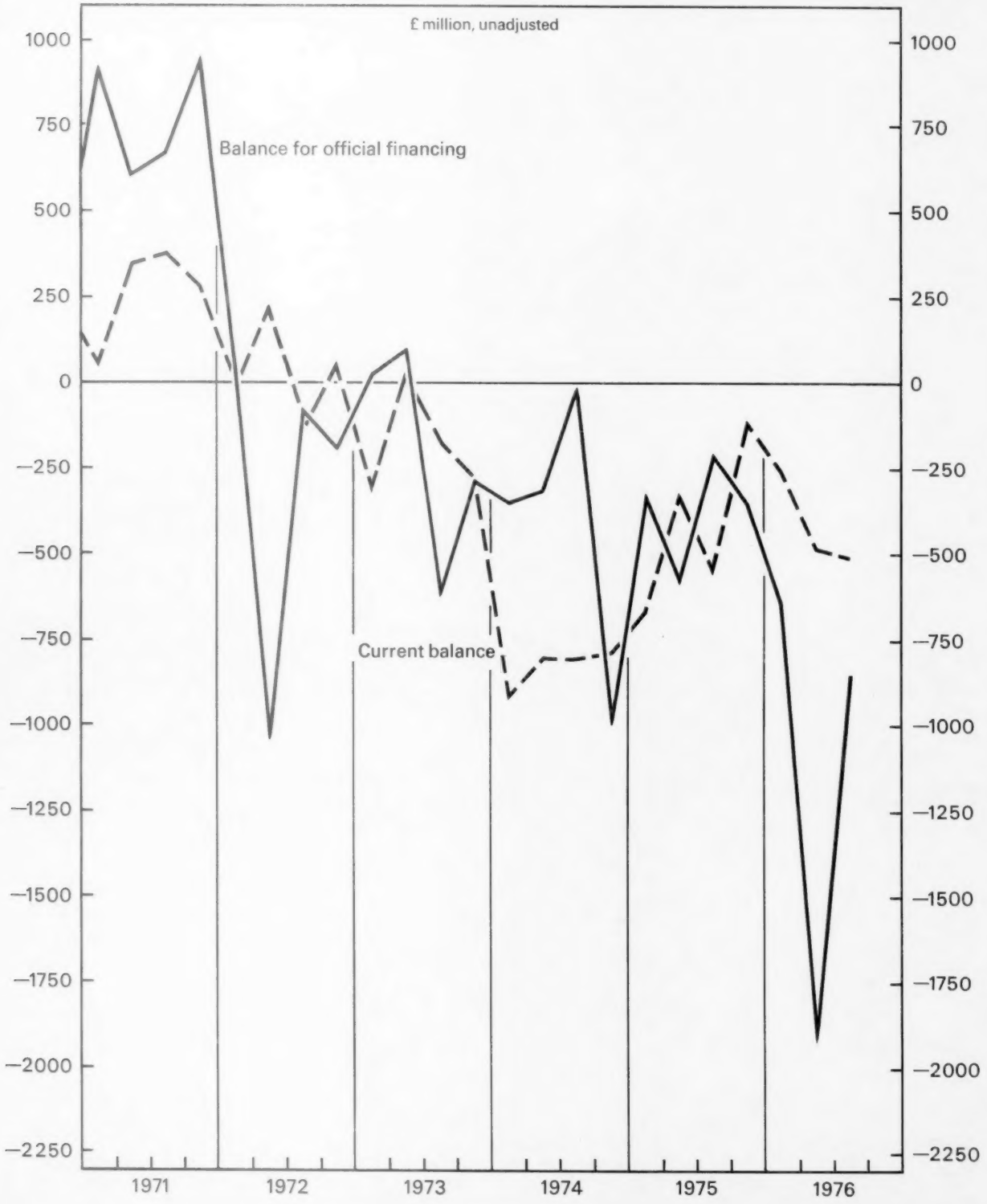
Analysis of capital flows and official financing [1]

£ million

Not seasonally adjusted

		Investment and other capital flows								Official financing	
	Current balance	Official long-term capital	Overseas investment in UK public sector [2]	Private sector investment (net)	Overseas currency borrowing or lending (net) by UK banks [2]	Change in external sterling liabilities	Trade credit [3] and other short-term flows	Balancing item and other capital flows [4]	Balance for official financing [5]	Allocation of SDR and gold subscription to IMF	Drawings on (+)/ additions to (−) official reserves [6]	Other transactions (net) [7]
1965	− 26	− 85	− 12	− 130	− 22	− 98	+ 21	− 1	− 353	—	− 246	+ 599
1966	+ 101	− 81	+ 35	− 39	−192	− 101	−200	− 70	− 547	− 44	− 34	+ 625
1967	− 298	− 59	+ 54	− 96	+ 36	− 284	−146	+122	− 671	—	+ 115	+ 556
1968	− 272	+ 17	+ 16	− 160	− 15	− 308	−305	−383	−1,410	—	+ 114	+1,296
1969	+ 460	− 99	− 56	− 6	− 38	+ 261	−227	+392	+ 687	—	− 44	− 643
1970	+ 733	−204	− 10	+ 49	+472	+ 459	−193	− 19	+1,287	+133	− 125	−1,295
1971	+1,084	−273	+107	+ 216	+471	+1,422	−126	+245	+3,146	+125	−1,536	−1,735
1972	+ 154	−255	+113	− 631	+471	+ 196	−608	−705	−1,265	+124	+ 692	+ 449
1973	− 712	−254	+170	− 260	+535	+ 154	−384	− 38	− 789	—	− 210	+ 999
1974	−3,323	−276	+250	+1,069	−299	+1,558	−685	+ 34	−1,672	—	− 79	+1,751
1975	−1,656	−288	+ 45	+ 412	+235	− 66	− 1	−160	−1,479	—	+ 669	+ 810
1970 *1*	+ 245	− 49	+ 3	+ 36	+125	+ 283	+ 66	+206	+ 915	+171	− 76	−1,010
2	+ 171	− 37	− 3	+ 123	+123	+ 157	−136	−171	+ 227	—	− 34	− 193
3	+ 81	− 20	− 23	− 84	− 24	+ 3	− 13	−122	− 202	—	+ 52	+ 150
4	+ 236	− 98	+ 13	− 26	+248	+ 16	−110	+ 68	+ 347	− 38	− 67	− 242
1971 *1*	+ 64	− 46	+ 70	+ 132	+ 84	+ 285	+ 70	+263	+ 922	+125	− 204	− 843
2	+ 352	− 43	+ 7	+ 44	+148	+ 277	− 97	− 85	+ 603	—	− 126	− 477
3	+ 382	− 35	+ 5	+ 54	+ 28	+ 337	+ 88	−191	+ 668	—	− 576	− 92
4	+ 286	−149	+ 25	− 14	+211	+ 523	−187	+258	+ 953	—	− 630	− 323
1972 *1*	—	− 43	+ 64	− 194	+114	+ 211	−163	+ 68	+ 57	+124	− 191	+ 10
2	+ 224	− 39	+ 20	− 200	−132	− 138	−374	−406	−1,045	—	+ 46	+ 999
3	− 120	− 17	+ 22	− 83	+199	− 92	− 47	+ 59	− 79	—	+ 639	− 560
4	+ 50	−156	+ 7	− 154	+290	+ 215	− 24	−426	− 198	—	+ 198	—
1973 *1*	− 306	− 55	+ 43	− 15	+ 1	+ 170	− 67	+253	+ 24	—	− 69	+ 45
2	+ 24	− 31	+ 20	+ 7	+162	+ 166	+ 9	−261	+ 96	—	− 377	+ 281
3	− 164	− 27	+ 21	− 63	+ 36	− 415	−208	+198	− 622	—	+ 258	+ 364
4	− 266	−141	+ 86	− 189	+336	+ 233	−118	−228	− 287	—	− 22	+ 309
1974 *1*	− 921	− 53	+ 32	+ 550	− 61	+ 179	−152	+ 81	− 345	—	+ 39	+ 306
2	− 804	− 42	+107	+ 291	+ 56	+ 386	− 88	−230	− 324	—	− 111	+ 435
3	− 806	− 15	+ 30	+ 353	−346	+ 616	−125	+287	− 6	—	− 183	+ 189
4	− 792	−166	+ 81	− 125	+ 52	+ 377	−320	−104	− 997	—	+ 176	+ 821
1975 *1*	− 668	− 73	+ 66	− 25	− 83	+ 247	− 7	+211	− 332	—	− 136	+ 468
2	− 333	− 39	+ 2	− 332	+774	− 17	−261	−375	− 581	—	+ 419	+ 162
3	− 540	− 26	− 52	+ 587	− 14	− 379	+244	− 30	− 210	—	+ 167	+ 43
4	− 115	−150	+ 29	+ 182	−442	+ 83	+ 23	+ 34	− 356	—	+ 219	+ 137
1976 *1*	− 261	− 36	+ 25	+ 235	+156	− 77	−572	−112	− 642	—	− 208	+ 850
2	− 481	− 26	+ 14	− 86	+144	− 918	−390	−181	−1,924	—	+ 324	+1,600
3	− 508	− 7	+ 67	+ 34	−181	− 146	−174	+ 67	− 848	—	+ 47	+ 801
4												

[1] More comprehensive analyses are given in the appendix tables to the balance of payments articles in the March, June, September and December issues.
[2] Excluding public sector borrowing under the exchange cover scheme which is included under official financing.
[3] Excluding trade credit between 'related' firms; after deducting advance and progress payments to suppliers.
[4] Capital transfers and EEA loss on forward commitments.
[5] Balance of current and capital transactions, including unidentified transactions covered by official financing other than that relating to IMF gold subscriptions and the allocation of SDRs.
[6] From 23 August 1971, valued in sterling at transactions rates of exchange. From July 1972, includes transactions affecting the United Kingdom reserve position in the IMF.
[7] Includes net transactions with overseas monetary authorities and other foreign currency borrowing by HM Government and by the public sector. under the exchange cover scheme; in 1966 and 1967 includes the transfer from dollar portfolio to reserves.

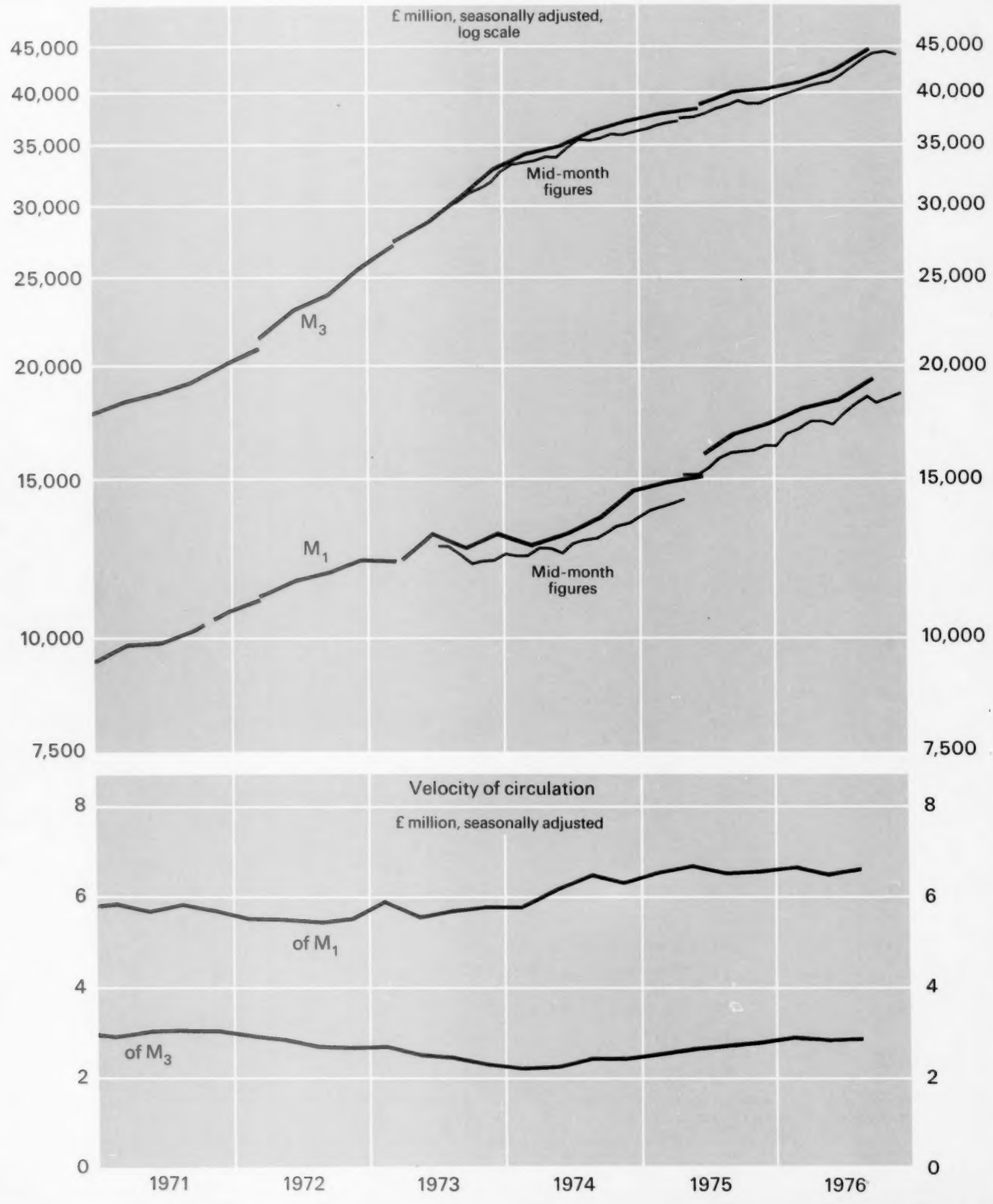

£ million, unadjusted
1000
750
500
250
0
−250
−500
−750
−1000
−1250
−1500
−1750
−2000
−2250
Balance for official financing
Current balance
1971
1972
1973
1974
1975
1976

Money stock†

£ million

	M_1			Sterling M_3			M_3			Velocity of circulation[1]	
	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Seasonally adjusted	Changes (seasonally adjusted)	*Percentage change (annual rate)*	Seasonally adjusted §	Changes (seasonally adjusted)	*Percentage change (annual rate)*	M_1	M_3
Amounts outstanding at end											
1970 *3*	9,040	108	*4·9*	16,830	377	*9·5*	17,350	378	*9·2*	5·747	3·009
4	9,430	386	*18·2*	17,300	468	*11·6*	17,800	458	*11·0*	5·775	3·035
1971 *1*	9,820	391	*17·6*	17,840	539	*13·1*	18,330	519	*12·2*	5·582	2·974
2	9,890	68	*2·8*	18,240	403	*9·3*	18,740	421	*9·5*	5·687	3·024
3	10,230	341	*14·5*	18,670	442	*10·0*	19,180	447	*9·9*	5·603	3·079
4[2]	10,340	103	*4·1*	19,580	918	*21·2*	20,010	826	*18·4*	5·687	3·043
	10,740			19,580			20,010				
1972 *1*[3]	11,140	398	*15·7*	20,420	842	*18·3*	20,950	941	*20·2*	5·506	2·930
	11,190			20,830			21,360				
2	11,590	400	*15·1*	22,400	1,575	*33·8*	23,010	1,658	*34·9*	5·490	2·829
3	11,790	209	*7·4*	23,340	952	*18·1*	23,990	991	*18·4*	5·414	2·693
4	12,290	497	*18·0*	24,870	1,545	*29·2*	25,670	1,696	*31·4*	5·509	2·671
1973 *1*[3]	12,250	— 48	— *1·6*	26,330	1,508	*26·5*	27,320	1,705	*29·3*	5·852	2·710
	12,250			26,230			27,330				
2	13,010	764	*27·4*	27,520	1,310	*21·5*	28,590	1,283	*20·1*	5·551	2·508
3	12,540	—446	—*13·6*	29,510	2,002	*32·4*	30·830	2,250	*35·4*	5·674	2·440
4	13,100	569	*19·4*	31,540	2,048	*30·8*	32,970	2,160	*31·1*	5·769	2·319
1974 *1*	12,650	—428	—*12·4*	32,370	873	*11·5*	34,140	1,214	*15·6*	5·764	2·212
2	13,030	382	*12·6*	32,630	278	*3·5*	34,810	685	*8·3*	6·155	2·292
3	13,520	495	*16·1*	33,530	895	*11·4*	36·030	1,215	*14·7*	6·452	2·418
4	14,510	988	*32·6*	34,740	1,209	*15·2*	37,140	1,107	*12·9*	6·318	2·420
1975 *1*	14,810	309	*8·8*	35,290	534	*6·3*	37,810	655	*7·2*	6·487	2·538
2[4]	15,200	384	*10·8*	35,960	672	*7·8*	38,310	504	*5·4*	6·614	2·640
	15,930			35,940			38,300				
3	16,800	874	*23·8*	37,060	1,115	*13·0*	39·840	1,535	*17·0*	6·538	2·708
4[5]	17,270	462	*11·5*	37,070	15	—	40,030	190	*1·9*	6·562	2·799
1976 *1*	17,890	618	*15·1*	37,650	570	*6·3*	40,770	735	*7·5*	6·622	2·881
2	18,310	423	*9·8*	38,810	1,160	*12·9*	42,320	1,549	*16·1*	6·432	2·802
3	19,260	953	*22·5*	40,450	1,636	*18·0*	44,440	2,122	*21·6*	6·553	2·836
4											
Amounts outstanding at mid-month											
1975 *J*	15,400	326	..	35,500	296	..	37,720	252	..	..	..
A	15,770	376	..	36,030	524	..	38,330	604	..	..	..
S	16,000	230	..	36,080	42	..	38,540	206	..	..	..
O	16,080	73	..	36,410	322	..	39,010	462	..	..	..
N	16,080	7	..	36,240	—172	..	38,780	—238	..	..	..
D	16,320	233	..	36,110	—139	..	38,750	—22	..	..	..
1976 *J*	16,270	— 48	..	36,420	331	..	39,140	399	..	..	..
F	16,880	620	..	36,970	550	..	39,710	572	..	..	..
M	17,020	140	..	36,980	—8	..	39,920	196	..	..	..
A	17,360	340	..	37,410	448	..	40,450	537	..	..	..
M	17,350	—8	..	37,680	277	..	40,680	238	..	..	..
J	17,170	—174	..	37,810	138	..	40,910	246	..	..	..
J	17,700	545	..	38,430	646	..	41,730	841	..	..	..
A	18,050	352	..	39,030	598	..	42,440	707	..	..	..
S	18,460	406	..	39,750	716	..	43,430	989	..	..	..
O	18,130	—334	..	40,090	347	..	43,950	534	..	..	..
N	18,360	202	..	40,360	274	..	44,130	180	..	..	..
D	18,540	160	..	40,230	—133	..	43,870	—265	..	..	..

[1] Ratio of GNP at current market prices seasonally adjusted expressed at an annual rate to the centred quarterly average of M_1/M_3 seasonally adjusted.
[2] The break in the series M_1 between September and December 1971 reflects additional statistical information and is explained in notes to Table 11 in the *Bank of England Quarterly Bulletin*.
[3] The breaks in the series at end-March 1972 and end-March 1973 show, in each case, the effects of changes in contributors which are described in *Financial Statistics*. [4] At mid-May 1975 new statistical returns were introduced. The first line of figures for end-June 1975, includes a number of estimates to provide reasonable consistency with earlier dates. [5]The amounts outstanding at end-December 1975, and mid-January 1976 are shown after the exclusion of one contributor to the series, but the effect on the figures is very small. The changes have been adjusted to exclude the effect of the reduction in the number of contributors.


£ million, seasonally adjusted, log scale
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
7,500
Mid-month figures
M_3
M_1
Mid-month figures
Velocity of circulation
£ million, seasonally adjusted
8
6
4
2
0
of M_1
of M_3
1971
1972
1973
1974
1975
1976

Money stock and public sector borrowing requirement

£ million

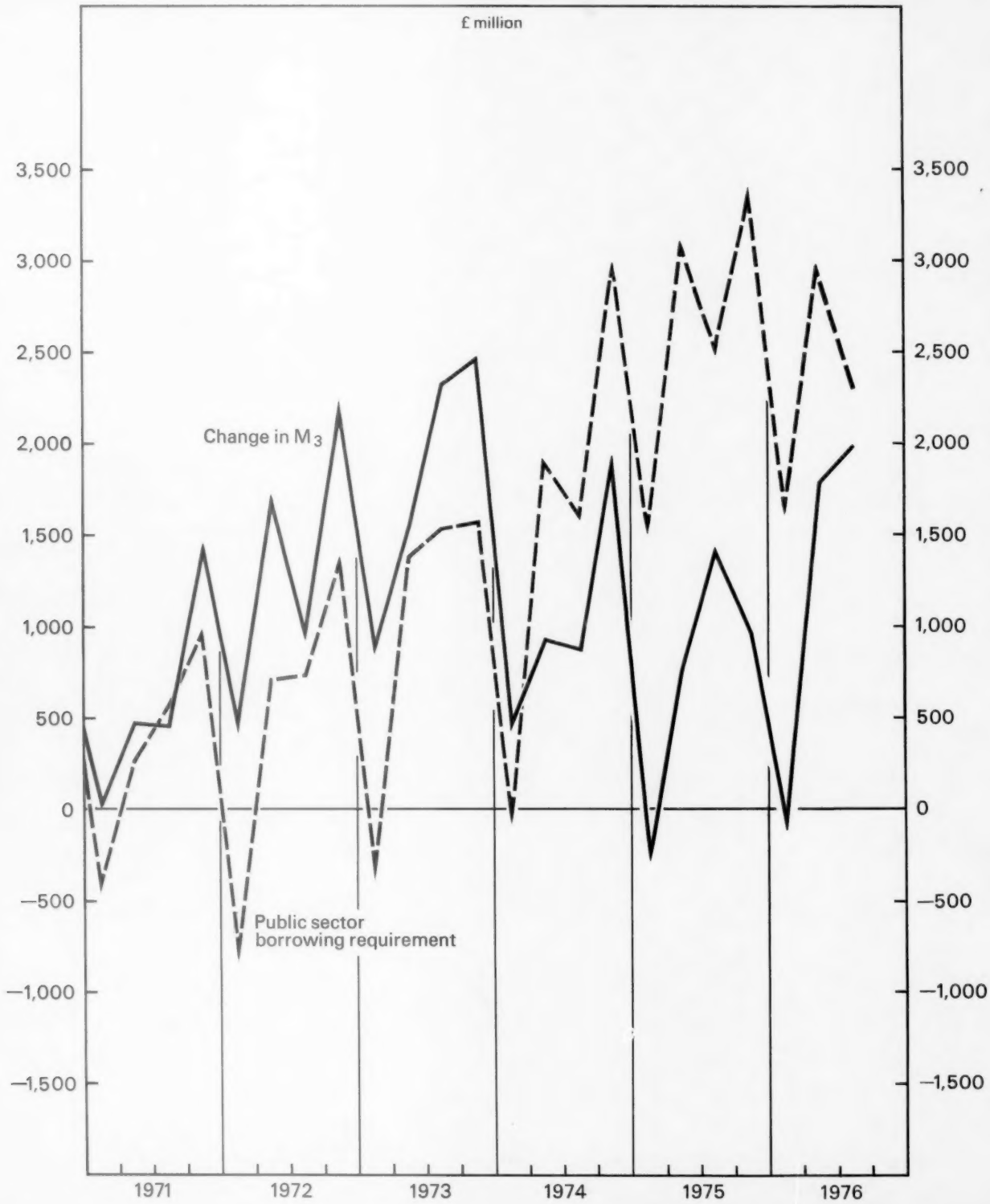
	Change in money stock M_3	Public sector borrowing requirement	Net acquisition of public sector debt: By overseas sector	By UK residents other than banks: Currency	By UK residents other than banks: Other	Changes in financial assets and liabilities of the banking sector: Lending to: Public sector	Lending to: Private sector	Deposits by (*less* lending to) non-residents	Non-deposit liabilities[1]	Net deposits of UK residents: Transactions[2]	Net deposits of UK residents: Valuation changes[3]
	1	2	3	4	5	6	7	8	9	10	11
1965	938	1,205	96	195	486	428	508	66	127	743	
1966	479	961	413	66	220	220	52	− 257	116	413	
1967	1,345	1,862	502	125	665	570	634	− 41	25	1,220	
1968	1,152	1,279	1,111	52	− 13	129	725	− 236	10	1,100	
1969	503	− 466	− 593	146	354	− 373	597	− 141	8	357	
1970	1,586	− 17	−1,353	321	102	913	1,315	753	210	1,265	
1971	2,366	1,373	−2,670	273	2,104	1,666	1,856	1,061	368	2,093	
1972	5,299	2,040	1,564	495	1,007	−1,026	6,434	− 48	652	4,804	
1973	7,232	4,182	− 108	305	1,990	1,995	6,828	1,411	485	6,927	
1974	4,221	6,378†	1,489	709	3,479†	701	4,671	1,178	682	3,512	
1975	2,884	10,506	754	814	5,574	3,364	139	1,066	747	1,690	380
Financial years											
1965/66	1,087	995	− 76	241	251	579	449	122	60	846	
1966/67	429	1,214	25	125	654	410	− 27	− 59	138	304	
1967/68	1,258	1,980	1,447	106	426	1	698	− 432	− 21	1,152	
1968/69	1,077	453	419	69	− 173	138	796	− 164	90	1,008	
1969/70	374	− 526	−1,241	129	802	− 216	718	162	95	245	
1970/71	2,031	803	−1,193	288	530	1,178	1,267	618	84	1,743	
1971/72	2,811	1,014	−1,879	433	1,694	766	3,142	1,091	439	2,378	
1972/73	5,733	2,498	1,426	421	884	− 233	6,288	− 59	802	5,312	
1973/74	6,799	4,432	125	411	2,514	1,382	6,672	1,320	346	6,388	
1974/75	3,484	7,955†	1,514	874	4,334†	1,233	3,264	1,261	626	2,610	
1975/76	3,045	10,603	1,200	463	5,566	3,374	207	689	852	2,040	542
1971 *1*	15	− 418	− 695	6	637	− 366	506	147	− 16	9	
2	471	256	− 410	50	261	355	287	109	112	421	
3	452	567	− 655	83	614	525	364	267	253	369	
4	1,428	968	− 910	134	592	1,152	699	538	19	1,294	
1972 *1*	460	− 777	96	166	227	−1,266	1,792	177	55	294	
2	1,698	715	940	109	240	− 574	1,939	− 304	80	1,589	
3	955	740	230	45	220	245	820	− 25	180	910	
4	2,186	1,362	298	175	320	569	1,883	104	337	2,011	
1973 *1*	894	− 319	− 42	92	104	− 473	1,646	166	205	802	
2	1,532	1,384	− 321	183	946	576	1,217	453	− 9	1,349	
3	2,334	1,536	126	− 48	568	890	1,691	191	8	2,382	
4	2,472	1,581	129	78	372	1,002	2,274	601	281	2,394	
1974 *1*	461	− 69	191	198	628	−1,086	1,490	75	66	263	
2	942	1,877†	174	193	1,720†	− 210	1,820	484	377	749	
3	878	1,607	337	5	1,001	264	851	9	233	873	
4	1,940	2,963	787	313	130	1,733	510	610	6	1,627	
1975 *1*	− 276	1,508	216	363	1,483	− 554	83	158	10	− 639	
2[3]	774	3,107	568	− 81	1,048	1,572	499	1,104	315	652	203
3	1,428	2,493	− 355	111	1,101	1,636	− 432	− 30	54	1,180	137
4	958	3,398	325	421	1,942	710	− 11	− 166	368	497	40
1976 *1*	− 115	1,605	662	12	1,475	− 544	151	− 219	115	− 289	162
2	1,782	2,967	1,408	273	1,336	− 50	1,056	− 529	248	1,287	222
3	1,990	2,303	452	307	781	763	833	− 43	239	1,450	233
4											

Relationship between columns 1=4+10+11; 2−3−4−5=6; 6+7−8−9=10.

[1] Comprising the banking sector's total identified financial assets *less* accruals adjustment and purchases of bank securities *plus* capital issues.

[2] The figures of both sterling and non-sterling current and deposit accounts after deducting items in transit, etc. and all inter-bank deposits.

[3] From the second quarter of 1975 all figures which include foreign currency items apart from the changes in M_3 have been adjusted to exclude the effects of movement in exchange rates. The direct effect of exchange rate changes on the sterling value of M_3 is shown in column 11 (for additional information see *Financial Statistics* Notes and Definitions).


£ million
3,500
3,000
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
Change in M3
Public sector borrowing requirement
1971
1972
1973
1974
1975
1976

Public expenditure[1]

£ million

	Total public expenditure	Goods and services: Consumption	Goods and services: Investment[2]	Transfer payments and loans: Subsidies	Current grants	Capital transfers	Debt interest	Net lending to private sector and overseas
1972	27,375	11,772	4,760	1,135	6,063	727	2,420	498
1973	32,316	13,403	5,879	1,450	6,804	856	2,953	971
1974	41,930	16,578	7,576	2,994	8,193	919	3,837	1 833
1975	54,465	22,907	9,687	3,906	10,587	884	4,513	1,981
1973 *1*	8,078	3,243	1,512	291	1,697	243	768	324
2	7,484	3,211	1,318	338	1,678	204	561	174
3	8,234	3,397	1,507	365	1,601	216	870	278
4	8,520	3,552	1,542	456	1,828	193	754	195
1974 *1*	10,058	3,801	1,901	672	1,890	236	1,083	475
2	9,185	3,791	1,634	583	1,890	238	681	368
3	11,087	4,269	1,907	843	2,073	250	1,107	638
4	11,600	4,717	2,134	896	2,340	195	966	352
1975 *1*	13,405	5,394	2,605	1,141	2,241	293	1,254	477
2	12,496	5,424	2,129	938	2,678	166	809	352
3	13,880	5,877	2,358	900	2,719	212	1,326	488
4	14,684	6,212	2,595	927	2,949	213	1,124	664
1976 *1*	15,718†	6,340†	2,932†	823	3,315†	217	1,588	503†
2	14,964	6,514	2,477	915†	3,322	188†	1,105†	443
3	15,814	6,641	2,661	852	3,350	170	1,779	361
4								

[1] Figures of public expenditure on an alternative definition, to be used in public expenditure White Papers, are published in Table 2·4 of *Financial Statistics*.

[2] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.

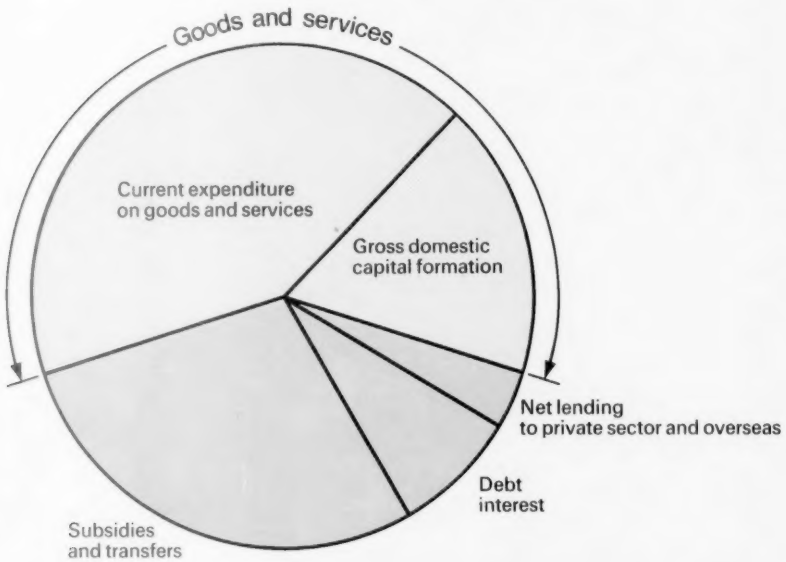
Public sector receipts

£ million

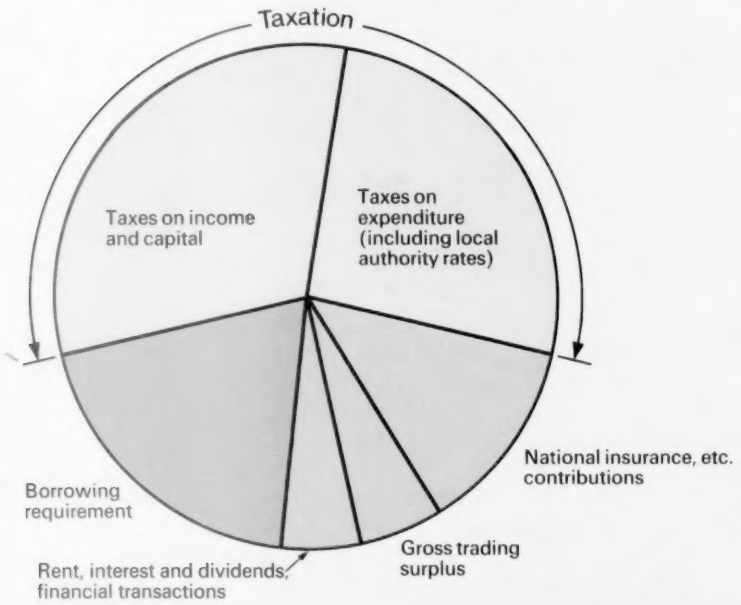
	Total receipts	Taxes on income	Taxes on capital	Taxes on expenditure	National insurance, etc. contributions	Gross trading surplus[1]	Rent, interest and dividends, etc.	Capital transfers from private sector	Financial transactions	Borrowing requirement
1972	27,375	8,117	756	9,262	3,333	1,821	1,847	23	176	2,040
1973	32,316	9,109	823	10,092	3,930	2,203	2,241	24	— 288	4,182
1974	41,930	12,113	860	11,342	5,000	2,643	2,816	30	748†	6,378†
1975	54,465	16,160	828	14,046	6,823	3,012	3,295	40	— 245	10,506
1973 *1*	8,078	3,246	264	2,372	948	573	487	5	502	—319
2	7,484	1,864	178	2,431	944	504	569	6	— 396	1,384
3	8,234	2,052	188	2,564	992	465	563	7	— 133	1,536
4	8,520	1,947	193	2,725	1,046	661	622	6	— 261	1,581
1974 *1*	10,058	3,723	276	2,500	1,117	596	674	6	1,235	— 69
2	9,185	2,406	211	2,858	1,124	669	660	6	— 626†	1,877†
3	11,087	3,066	198	2,903	1,313	570	697	8	725	1,607
4	11,600	2,918	175	3,081	1,446	808	785	10	— 586	2,963
1975 *1*	13,405	4,751	267	2,888	1,526	750	755	10	950	1,508
2	12,496	3,457	187	3,490	1,711	644	856	9	— 965	3,107
3	13,880	4,006	185	3,727	1,771	533	814	10	341	2,493
4	14,684	3,946	189	3,941	1,815	1,085	870	11	— 571	3,398
1976 *1*	15,718†	5,551†	283†	3,667†	1,848†	970	880	12	902	1,605
2	14,964	4,248	205	4,036	2,139	906†	971†	12	— 520	2,967
3	15,814	4,418	194	4,188	2,187	868	997	13	646	2,303
4										

[1] Before providing for depreciation and stock appreciation.

Public expenditure 1975 (£54,465 m.)


Goods and services
Current expenditure on goods and services
Gross domestic capital formation
Net lending to private sector and overseas
Debt interest
Subsidies and transfers

Public sector receipts 1975 (£54,465 m.)


Taxation
Taxes on income and capital
Taxes on expenditure (including local authority rates)
National insurance, etc. contributions
Borrowing requirement
Gross trading surplus
Rent, interest and dividends, financial transactions

Sector financial accounts

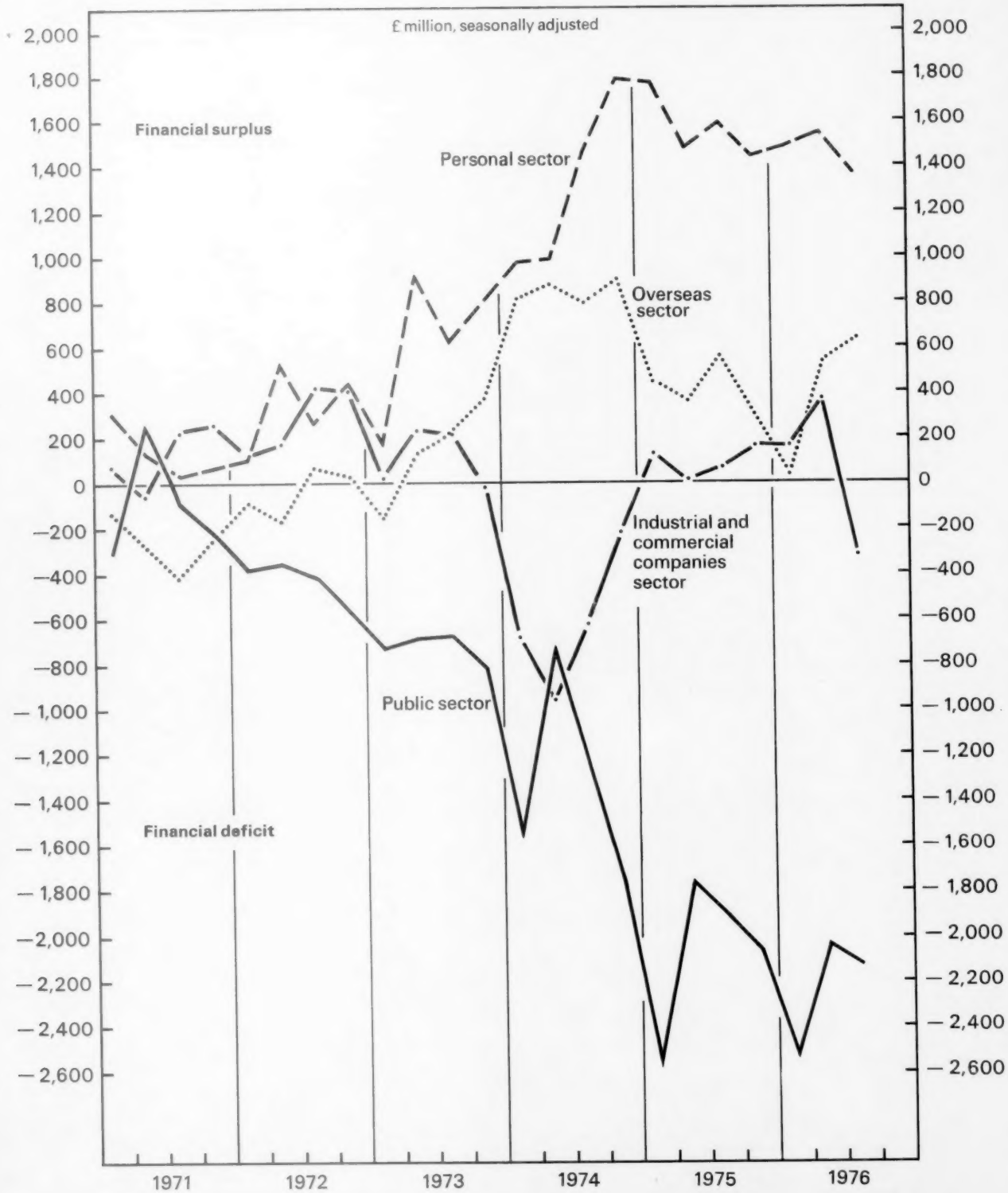
Seasonally adjusted

£ million

	Public sector[1]			Financial companies			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
1972	2,990	52	4,760	609	— 62	777	5,495	380	4,739
1973	2,965	— 9	5,879	822	— 76	1,269	8,366	347	8,244
1974	2,312	— 29	7,576	769	— 66	1,403	9,104	333	11,937
1975	1,423	— 16	9,687	655	— 16	1,598†	9,339	403	9,372†
1972 *1*	766	2	1,158	118	— 15	167	1,102	116	1,101
2	824	14	1,189	112	— 16	161	1,215	96	1,138
3	738	22	1,170	199	— 15	240	1,482	81	1,130
4	662	14	1,243	180	— 15	209	1,696	87	1,370
1973 *1*	725	— 21	1,429	239	— 19	255	1,852	97	1,928
2	694	— 9	1,378	189	— 19	309	2,015	77	1,853
3	798	6	1,492	197	— 19	341	2,211	96	2,091
4	748	15	1,580	197	— 19	364	2,288	77	2,372
1974 *1*	201	18	1,773	278	— 16	351	2,263	93	3,045
2	1,000	— 20	1,718	164	— 16	333	2,292	81	3,330
3	682	— 24	1,894	119	— 17	352	2,263	76	2,977
4	429	— 3	2,191	208	— 17	367	2,286	83	2,585
1975 *1*	— 50	— 63	2,446	225	— 8	331	2,408	173	2,450
2	461	34	2,252	154	— 6	371	2,194	62	2,251
3	417	10	2,332	181	— 2	498	2,280	85	2,293
4	595	3	2,657	95	—	390†	2,457	83	2,378†
1976 *1*	139†	45†	2,712	383†	— 5	406	2,790†	77	2,708
2	582	26	2,643†	277	— 5	440	3,088	78	2,799
3	466	59	2,652	336	— 5	498	3,000	54	3,371
4									

	Personal sector			Net acquisition of financial assets[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies	Industrial and commercial companies	Personal sector	Overseas sector[5]	Residual error[6]
1972	4,513	—371	2,796	—1,718	—230	1,136	1,346	— 154	—380
1973	5,910	—321	3,099	—2,923	—523	— 469	2,490	771	—284
1974	8,463	—313	2,952	—5,293	—700	—2,500	5,202†	3,398	—108†
1975	10,361†	—371	3,707	—8,280	—959†	370†	6,282	1,656	930
1972 *1*	843	—104	636	— 390	— 64	117	103	— 97	330
2	1,328	— 96	705	— 351	— 65	173	527	— 165	—119
3	1,060	— 88	704	— 410	— 56	433	268	75	—310
4	1,282	— 83	751	— 567	— 45	413	448	33	—282
1973 *1*	1,053	— 95	805	— 725	— 35	21	153	150	436
2	1,697	— 68	714	— 693	—139	239	915	23	—345
3	1,522	— 84	814	— 688	—163	216	624	222	—211
4	1,638	— 74	766	— 817	—186	— 7	798	376	—164
1974 *1*	1,817	— 95	750	—1,554	— 89	— 689	972	818	541
2	1,812	— 74	754	— 738	—185	— 957	984	879	17
3	2,231†	— 75	697	—1,236	—250	— 638	1,459†	796	—131†
4	2,607	— 69	751	—1,765	—176	— 216	1,787	905	—535
1975 *1*	2,673	—102	799	—2,559	—114	131	1,772	449	321
2	2,451	— 90	883	—1,757	—223	5	1,478	357	140
3	2,645	— 93	965	—1,905	—319	72	1,587	555	10
4	2,592	— 86	1,060	—2,059	—303†	162†	1,446	295	459
1976 *1*	2,633	—117†	1,024†	—2,528†	— 28	159	1,492	33	872
2	2,709	— 99	1,061	—2,035	—168	367	1,549	533	—246
3	2,703	—108	1,239	—2,127	—167	—317	1,356	637	618
4									

[1] Excluding financial transactions in writing-off debt. [2] Before providing for depreciation stock appreciation and addition to reserves
[3] Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress. [4] This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation *less* increase in value of stocks and work in progress. [5] Equals apart from the change in sign, the current balance of payments accounts, *plus* capital transfers. [6] The residual error in the national income accounts.


£ million, seasonally adjusted
Financial surplus
Financial deficit
Personal sector
Overseas sector
Industrial and commercial companies sector
Public sector
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
−200
−400
−600
−800
− 1,000
− 1,200
− 1,400
− 1,600
− 1,800
−2,000
− 2,200
− 2,400
− 2,600
1971
1972
1973
1974
1975
1976

Appropriation account of industrial and commercial companies

£ million Seasonally adjusted

	Income						Allocation of income						
	Income arising in the United Kingdom						Dividends and interest, etc.						
	Gross trading profits			Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[6]
1966	5,967	4,671	298	4,969	356	99	642	1,509	923	555	199	509	2,827	*460*
1967	6,033	4,854	148	5,002	368	95	663	1,463	941	548	206	771	2,652	*515*
1968	6,867	5,193	470	5,663	448	138	756	1,434	1,067	656	312	814	3,240	*702*
1969	7,246	5,211	590	5,801	497	165	948	1,554	1,220	757	260	920	3,292	*812*
1970	7,715	5,294	891	6,185	505	151	1,025	1,378	1,304	802	322	1,264	3,447	*1,037*
1971	8,621	6,244	831	7,075	520	137	1,026	1,530	1,320	792	399	1,198	4,174	*1,329*
1972	10,179	7,360	1,067	8,427	632	196	1,120	1,524	1,515	969	522	1,123	5,495	*1,586*
1973	13,922	8,144	2,546	10,690	1,044	503	2,188	1,638	2,369	1,805	626	923	8,366	*2,350*
1974	16,041	7,425	4,908	12,333	1,340	695	2,368	1,517	3,336	2,716	489	1,595	9,104	*4,012*
1975	15,429	8,058	4,107	12,165	1,330	618	1,934	1,483	3,279	2,671	434	894	9,339	*3,410*
1971 *1*	2,064	1,406	271	1,677	129	37	258	382	334	209	98	191	1,059	*287*
2	2,170	1,454	323	1,777	132	37	261	389	335	200	97	418	931	*333*
3	2,176	1,637	154	1,791	130	33	255	403	330	194	99	275	1,069	*348*
4	2,211	1,747	83	1,830	129	30	252	356	321	189	105	314	1,115	*361*
1972 *1*	2,228	1,638	189	1,827	133	29	268	435	320	190	121	250	1,102	*359*
2	2,493	1,840	227	2,067	142	37	284	460	353	225	128	337	1,215	*355*
3	2,642	1,890	293	2,183	170	60	289	346	408	265	137	269	1,482	*414*
4	2,816	1,992	358	2,350	187	70	279	283	434	289	136	267	1,696	*458*
1973 *1*	3,179	2,196	364	2,560	218	93	401	531	498	383	163	135	1,852	*480*
2	3,417	2,039	558	2,597	231	102	589	503	538	399	162	199	2,015	*479*
3	3,543	1,959	789	2,748	275	135	520	314	613	452	155	250	2,211	*614*
4	3,783	1,950	835	2,785	320	173	678	290	720	571	146	339	2,288	*777*
1974 *1*	3,937	1,233	1,740	2,973	344	185	620	468	767	644	161	278	2,263	*938*
2	4,004	1,725	1,332	3,057	348	190	599	345	832	660	124	411	2,292	*1,063*
3	4,048	2,268	854	3,122	333	170	593	353	870	691	89	473	2,263	*1,035*
4	4,052	2,199	982	3,181	315	150	556	351	867	721	115	433	2,286	*976*
1975 *1*	3,926	1,846	1,269	3,115	313	143	498	409	834	704	116	159	2,408	*883*
2	3,680	1,937	984	2,921	321	146	438	322	816	646	128	220	2,194	*851*
3	3,733	2,000	911	2,911	338	158	484	356	810	635	85	202	2,280	*974*
4	4,090	2,275	943	3,218	358	171	514	396	819	686	105	313	2,457	*702*
1976 *1*	4,286†	2,222	1,143	3,365	345†	148	576†	464†	794	661†	160	78†	2,790†	*858†*
2	4,621	2,303†	1,302†	3,605†	415	199†	601	353	870	697	142†	168	3,088	*889*
3	4,732	2,248	1,434	3,682	418	201	632	355	948†	750	176	253	3,000	*1,085*
	Percentage change, quarter on corresponding quarter of previous year													
1975 *1*	*− 0·3*	*+49·7*	*−27·1*	*+ 4·8*	*− 9·0*	*−22·7*	*−19·7*	*−12·6*	*+ 8·7*	*+ 9·3*	*− 28·0*	*−42·8*	*+ 6·4*	*− 5·9*
2	*− 8·1*	*+12·3*	*−26·1*	*− 4·4*	*− 7·8*	*−23·2*	*−26·9*	*− 6·7*	*− 1·9*	*− 2·1*	*+ 3·2*	*−46·5*	*− 4·3*	*−19·9*
3	*− 7·8*	*−11·8*	*+ 6·7*	*− 6·8*	*+ 1·5*	*− 7·1*	*−18·4*	*+ 0·8*	*− 6·9*	*− 8·1*	*− 4·5*	*−57·3*	*+ 0·8*	*− 5·9*
4	*+ 0·9*	*+ 3·5*	*− 4·0*	*+ 1·2*	*+13·7*	*+14·0*	*− 7·6*	*+12·8*	*− 5·5*	*− 4·9*	*− 8·7*	*−27·7*	*+ 7·5*	*−28·1*
1976 *1*	*+ 9·2†*	*+20·4*	*− 9·9*	*+ 8·0*	*+10·2†*	*+ 3·5*	*+15·7†*	*+13·4†*	*− 4·8*	*− 6·1†*	*+ 37·9*	*−50·9†*	*+15·9†*	*− 2·8†*
2	*+25·6*	*+18·9†*	*+32·3†*	*+23·4†*	*+29·3*	*+36·3†*	*+37·2*	*+ 9·6*	*+ 6·6*	*+ 7·9*	*+ 10·9†*	*−23·6*	*+40·7*	*+ 4·5*
3	*+26·8*	*+12·4*	*+57·4*	*+26·5*	*+23·7*	*+27·2*	*+30·6*	*− 0·3*	*+17·0*	*+18·1*	*+107·1*	*+25·2*	*+31·6*	*+11·4*

[1] Before providing for depreciation and stock appreciation.

[2] These items are included solely as a memorandum item.

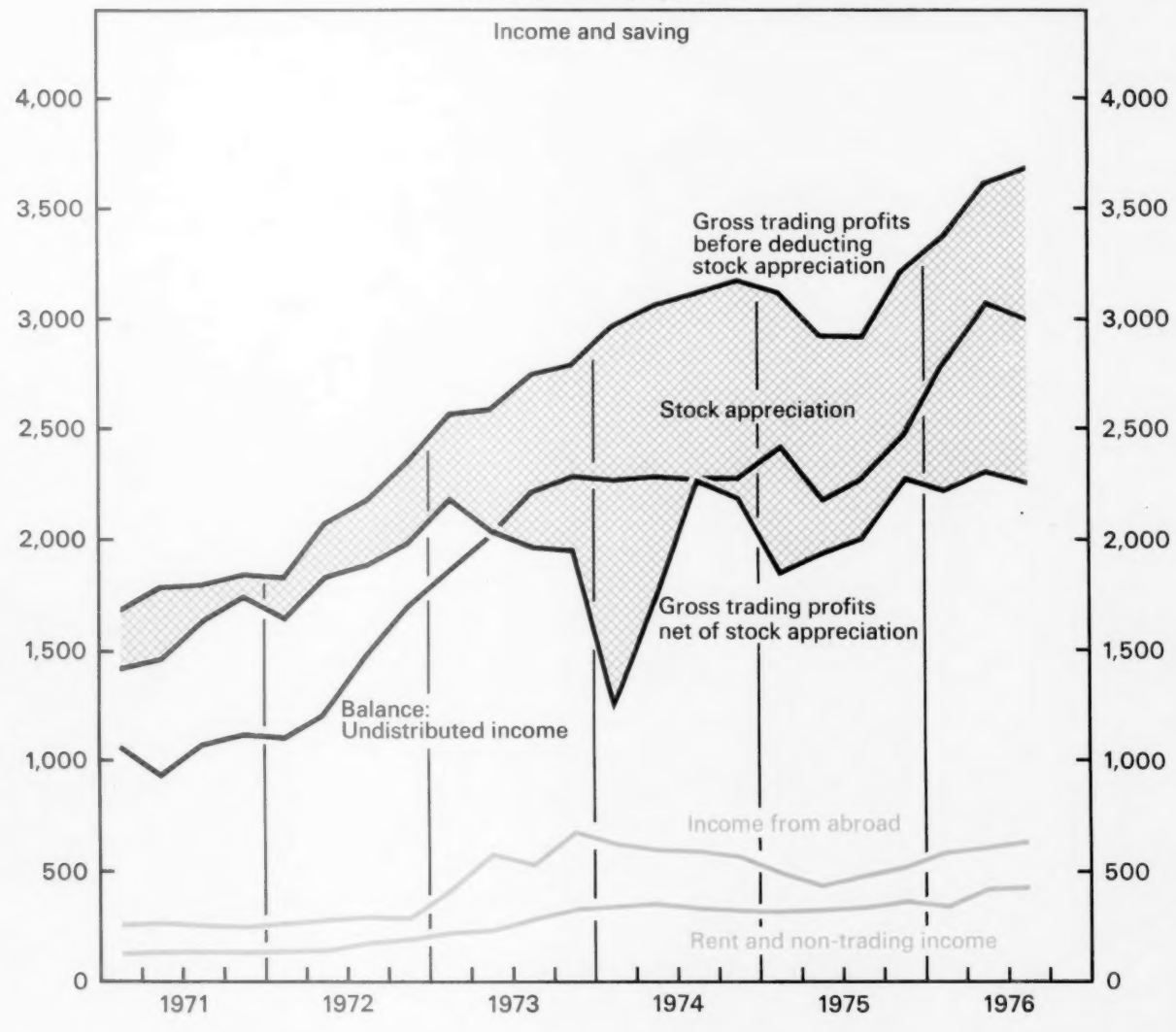
[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

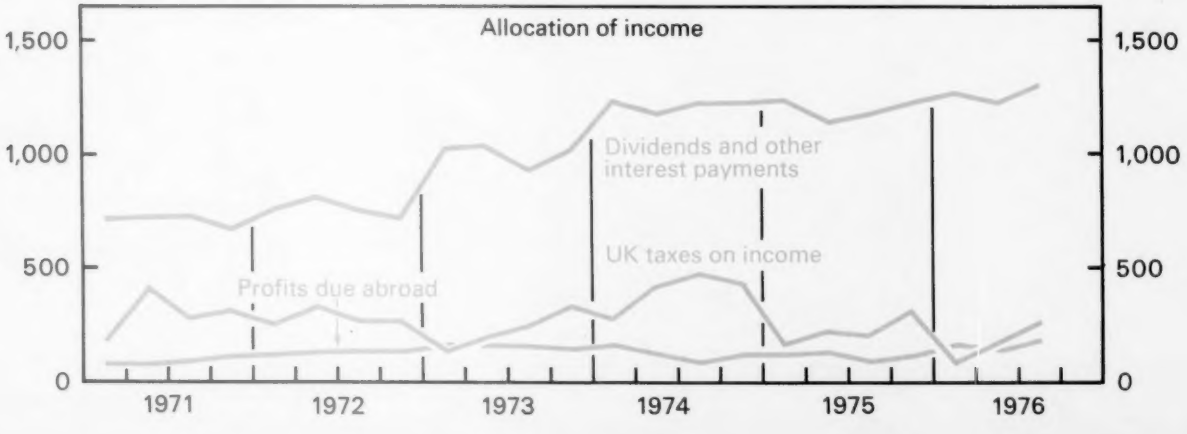
[4] The residual of all companies payments and accruals of financial companies taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) *less* increases in balance of deductions of income tax, from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the third quarter of 1976 the amount of advance corporation tax included was £236 million. The seasonally adjusted series for all companies have been allocated between industrial and commercial companies and financial companies in proportion to the calendar year estimates of their accruals of taxes on income.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] This item is not now included in total income, but is shown in order to provide a reconciliation with the former definition of total company income as shown in *National Income and Expenditure 1965–75*.

£ million, seasonally adjusted





Sources and uses of capital funds of industrial and commercial companies

£ million

	Sources of funds						Uses of funds					
	Total	Undistributed income[1]	Capital transfers	Bank borrowing[2], loans and mortgages	UK capital issues by listed companies (net)	Overseas[3]	Taxes on capital and capital transfers	Gross domestic fixed capital formation	Increase in value of stocks and work in progress	Acquisition of financial assets: Liquid assets[4,5]	Acquisition of financial assets: Other[6]	Unidentified items (residual)
1971	7,153	4,174	595	969	375	1,040	41	3,470	759	1,241	939	703
1972	10,593	5,495	409	3,146	616	927	29	3,796	943	2,348	1,916	1,561
1973	15,959	8,366	373	5,298	158	1,764	26	4,718	3,526	2,568	3,424	1,697
1974	16,284	9,104	364	4,469	— 13	2,360	31	5,848	6,089	39	3,011	1,266
1975	13,937	9,339	442	1,119	1,022	2,015	39	7,028	2,382	2,453	2,303†	— 266†
1973 *1*	3,260	1,560	101	1,195	33	371	15	1,081	664	208	787	505
2	3,477	2,141	81	697	80	478	4	1,107	717	397	680	572
3	3,866	2,126	108	1,323	19	290	4	1,176	1,008	1,270	350	58
4	5,356	2,539	83	2,083	26	625	3	1,354	1,137	693	1,607	562
1974 *1*	4,269	1,810	105	1,463	— 6	897	16	1,256	1,564	— 265	654	1,044
2	4,374	2,576	83	1,221	— 13	507	3	1,379	1,903	232	317	540
3	3,764	2,072	87	989	14	602	6	1,502	1,577	18	526	135
4	3,877	2,646	89	796	— 8	354	6	1,711	1,045	54	1,514	— 453
1975 *1*	3,344	2,110	119	785	25	305	22	1,591	620	162	275	674
2	3,444	2,358	82	402	329	273	5	1,655	524	457	1,344	— 541
3	3,142	2,158	123	— 283	319	825	6	1,954	469	1,377	— 349†	— 316
4	4,007	2,713	118	215	349	612	6	1,828	769	457	1,033	— 84†
1976 *1*	3,711†	2,699†	112	— 73†	218	755	21†	1,591†	875†	100†	906	226
2	5,208	3,305	99†	949	429	426	6	1,682	1,056	669	867	924
3	4,137	2,707	90	817	130	393	7	2,021	1,466	725	124	— 206
4												

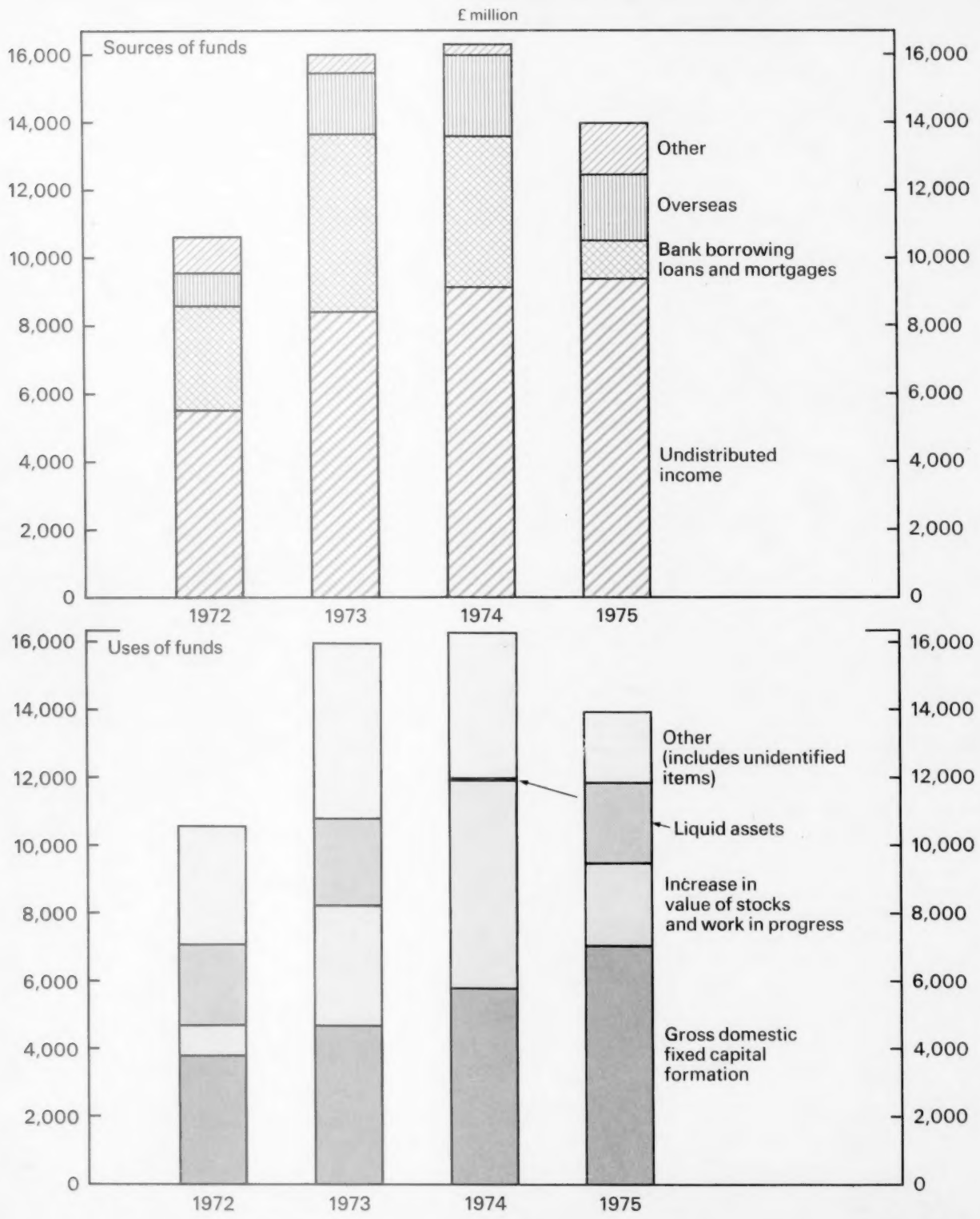
[1] Before providing for depreciation, stock appreciation and additions to reserves.
[2] After addition of 40 per cent of the excess of debit over credit transit items.
[3] Other than investments included in UK capital issues.
[4] Bank deposits are included after subtraction of 60 per cent of the excess of debit over credit transfer items; includes tax deposit accounts from 2nd quarter 1973.
[5] Including certificates of tax deposits from October 1975 (for further information see *Financial Statistics: Notes and Definitions*)
[6] Including figures of large companies transactions in British government securities (for further information see *Financial Statistics: Notes and Definitions*)

Selected liquid assets of industrial and commercial companies

£ million

Amounts outstanding at end:	Local authority temporary debt	Deposits with banking sector[1,2]	Deposits with building societies	Deposits with finance houses[1]	Other identified[1,3]	Total identified[1]	Bank advances[1,4]
1972 *1*	276	4,642 / 4,817	168	256 / 101	178 / 173	5,520 / 5,535	7,235 / 7,606
2	314	5,333	188	113	157	6,105	8,688
3	350	5,993	188	122	157	6,810	8,960
4	359	6,851	188	136	157	7,691	9,730
1973 *1*	395	7,230 / 7,225	183	164 / 162	88	8,060 / 8,053	10,551 / 10,649
2	472	7 202	200	166	87	8,127	11,370
3	488	8,487	175	186	85	9,421	12,561
4	483	9,126	160	169	85	10,023	14,421
1974 *1*	519	8,949	149	133	54	9 804	15,423
2	509	8,897	149	140	52	9,747	16,772
3	518	9,142	149	104	168	10,081	17,387
4	484	9,038	132	97	97	9,848	18,019
1975 *1*	424	9,336	123	128	58	10,069	18,316
2	415	9,999 / 9,473	136	138	115 / 112	10,793 / 10,274	19,287 / 17,489
3	434	10,378	135	124	385	11,456	17,562
4	459	10,710 / 10,700	135	141	355	11,800 / 11,790	17,679 / 17,727
1976 *1*	443	10,684	152	178†	568	12,025	17,726
2	425	11,110	159	187	701†	12,582†	19,156
3	414†	12,119	153	194	538	13,418	19,958
4							

[1] The breaks in series result from further information regarding holdings by sector and changes to the banking and finance houses sectors.
[2] From 2nd quarter 1973 includes identified holdings of dollar certificates of deposit.
[3] Treasury bills, tax reserve certificates and tax deposit accounts.
[4] Including refinanceable export and shipbuilding credits with effect from mid-May 1972.


£ million
Sources of funds
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
1972
1973
1974
1975
Other
Overseas
Bank borrowing loans and mortgages
Undistributed income
Uses of funds
Other (includes unidentified items)
Liquid assets
Increase in value of stocks and work in progress
Gross domestic fixed capital formation

Bank lending[1] to UK residents

Seasonally adjusted[2]

£ million

	Lending to public sector			Lending to private sector		
	Total	Sterling	Other currencies[3]	Total	Sterling	Other currencies[3]
Transactions						
1970	913	893	20	1,315	829	486
1971	1,666	1,648	18	1,856	1,625	231
1972	−1,026	−1,030	4	6,434	5,511	923
1973	1,995	1,134	861	6,828	5,671	1,157
1974	701	− 370	1,071	4,671	3,734	937
1975	3,364	3,081	283	143	− 382	525
1971 *3*	503	504	− 1	604	559	45
4	691	677	14	588	584	4
1972 *1*[4]	− 359	− 359	—	1,610	1,456	154
2	− 809	− 813	4	1,875	1,632	243
3	98	103	− 5	1,108	926	182
4	57	52	5	1,828	1,484	344
1973 *1*[4]	461	418	43	1,464	1,175	289
2	316	79	237	1,163	1,112	51
3	509	166	343	2,115	1,705	410
4	543	305	238	2,252	1,845	407
1974 *1*	116	− 147	263	1,267	944	323
2	− 390	− 606	216	1,590	1,365	225
3	48	− 52	100	1,398	1,250	148
4	927	435	492	416	175	241
1975 *1*	436	138	298	61	102	− 41
2[5]	1,224	1,236	− 12	285	46	239
3	1,642	1,642	—	− 171	− 485	314
4[4]	62	65	− 3	− 36	− 49	13
1976 *1*	148	131	17	104	127	23
2	− 154	− 208	54	905	944	− 39
3	947	791	156	1,132	911	221
4						

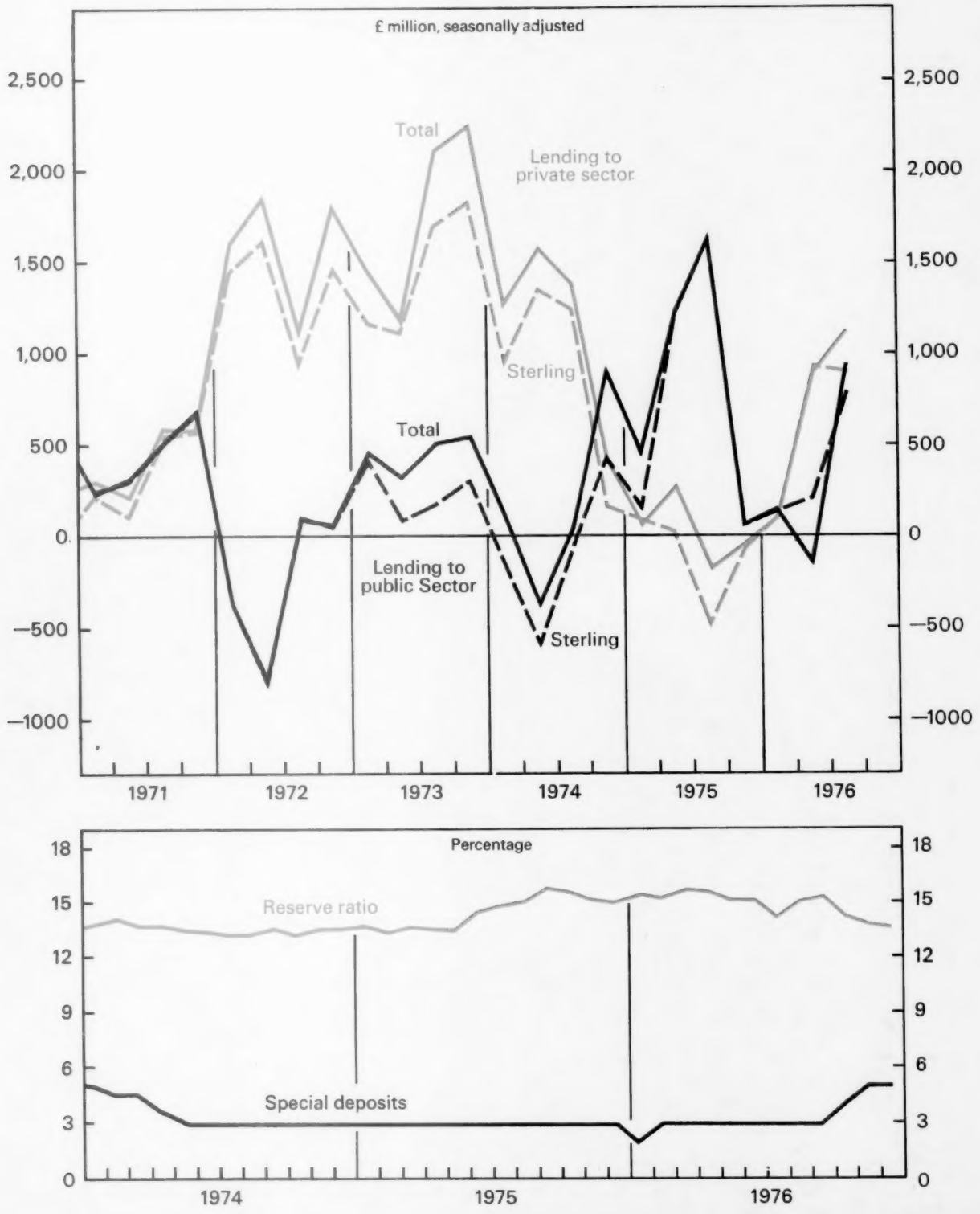
[1] UK banking sector: changes in assets.
[2] The seasonally adjusted quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because, as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year. They have been revised in this issue to take account of later information.
[3] From the second quarter 1975 changes in foreign currency assets have been adjusted to exclude the effect of movements in exchange rates.
[4] Figures have been calculated to exclude the effect of small changes in the number of contributors to the banking statistics.
[5] Figures have been calculated to exclude the effects of the introduction of new statistical returns.

Banks' reserve ratio

Unadjusted

	£ million		Per cent			£ million		Per cent	
	Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]		Eligible liabilities	*of which:* Interest bearing[1]	Reserve ratio	Special deposits[2]
At mid-month					**At mid-month**				
1975 *A*	32,322	22,135	13·7	3	1976 *A*	33,909	22,797	15·6	3
M	32,605	22,227	13·7	3	*M*	33,740	22,750	15·2	3
		22,721			*J*	34,029	23,116	15·2	3
J	32,371	22,477	14·6	3	*J*	34,989	23,771	14·2	3
J	33,205	23,151	15·0	3	*A*	35,181	23,976	15·1	3
A	33,044	22,767	15·1	3	*S*	35,793	24,398	15·4	3
S	32,987	22,851	15·9	3	*O*	36,613	25,217	14·4	4
O	33,367	22,986	15·7	3	*N*	37,246	26,057	13·9	5
N	33,451	23,033	15·2	3	*D*	36,890	25,445	13·8	5
D	33,345	22,764	15·1	3					
1976 *J*	33,048	22,493	15·5	2					
F	33,206	22,933	15·4	3					
M	33,108	22,561	15·8	3					

[1] Banks in Northern Ireland were excluded up to the first figure for May 1975. [2] Not yet applicable to banks in Northern Ireland.


£ million, seasonally adjusted
2,500
2,000
1,500
1,000
500
0
−500
−1000
Total
Lending to private sector
Sterling
Total
Lending to public Sector
Sterling
1971
1972
1973
1974
1975
1976
Percentage
18
15
12
9
6
3
0
Reserve ratio
Special deposits
1974
1975
1976

Interest rates, security prices and yields

Percentage rate

		Last Friday							Last working day		Average of working days			
		Bank of England's minimum lending rate to the market[1]	Treasury bill yield[2]	Deposits with local authorities (3 months)[3]	London clearing banks: Base rate	London clearing banks: Deposit account: 7 days' notice[4]	Inter-bank (3 month rate)[5]	Sterling certificates of deposit (3 months)	Interest on US$ deposits in London (3 months)[6]	Building Societies Association recommended rate on shares[7]	British government securities 2½% Consols yield	*Financial Times* index of industrial ordinary shares: 1 July 1935=100 — Price index	Dividend yield	Earnings yield[8]
1965		6	5·60	6⅜	6	4	6½ – 6⅝	..	5·25	4·00	6·42	337·3	5·74	9·12
1966		7	6·64	7½ – 7 5/16	7	5	7 5/16 – 7⅜	..	6·56	4·25	6·80	331·9	5·98	8·52
1967		8	7·63	7⅜ – 7⅝	8	6	8 1/16 – 8 3/16	..	6·31	4·25	6·69	355·0	5·36	6·69
1968		7	6·89	7⅜	7	5	7 13/16 – 8	7⅜ – 7 15/16	7·13	4·50	7·39	463·3	4·05	4·99
1969		8	7·80	9 – 9 1/16	8	6	9⅜ – 9½	9⅛ – 9¼	10·06	5·00	8·88	419·8	4·43	5·82
1970		7	6·93	7¼	7	5	7⅛ – 7¼	7 3/16 – 7 5/16	6·56	5·00	9·16	361·0	4·75	6·54
1971		5	4·46	4½ – 4⅝	4½	2½	4⅝ – 4¾	4⅝ – 4¾	5·75	5·00	9·05	386·2	4·76	6·21
1972		9	8·48	8¾	7½	5¾	8 7/16 – 9 1/16	8 1/16 – 9 1/16	5·91	5·25	9·11	503·8	3·26	4·98
1973		13	12·82	16 –16½	13	9½	16 1/16 –16 5/16	15⅜ –16	10·19	7·50	10·85	435·6	4·12	..
1974		11½	11·30	13¾	12	9½	12 1/16 –12 3/16	12⅜ –12¾	10·06	7·50	14·95	251·2	8·23	21·47
1975		11½	10·93	11½ –11⅜	11	7	11 1/16 –11 3/16	11 –11½	5·88	7·00	14·66	311·0	6·81	19·49
1973	*O*	11¼	10·96	13 –13⅛	11	9½	12 12/16 –13	12 12/16 –12 15/16	9·19	7·50	11·31	434·7	4·34	9·81
	N	13	12·85	15 –15½	13	9½	15½ –15 11/16	15⅜ –15¾	10·47	7·50	11·89	401·5	4·73	10·68
	D	13	12·82	16 –16⅛	13	9½	16 1/16 –16 5/16	15¾ –16	10·19	7·50	12·38	329·9	5·72	12·87
1974	*J*	12¾	12·40	16 –16⅛	13	9½	16 1/16 –16 5/16	16⅛ –16⅜	8·88	7·50	12·79	324·8	5·83	13·30
	F	12½	12·18	14½ –14¾	13	9½	14¼ –14 7/16	14¼ –14⅜	8·63	7·50	13·49	316·5	5·84	13·77
	M	12½	12·35	16	13	9½	15⅜ –15 7/8	15⅜ –15¾	10·00	7·50	13·84	297·5	6·17	15·15
	A	12	11·82	13½ –13¾	12½	9½	13 7/16 –13⅝	13 9/16 –13 11/16	11·69	7·50	14·61	290·0	6·40	16·33
	M	11¾	11·54	12⅞ –13	12	9½	12 11/16 –12⅞	12¾ –12⅞	11·88	7·50	14·11	296·6	6·67	17·21
	J	11¾	11·56	13¼ –13½	12	9½	13⅛ –13¼	13 7/16 –13 9/16	13·50	7·50	14·73	267·5	7·49	19·35
	J	11¾	11·51	13⅜	12	9½	13⅜ –13 9/16	13 7/16 –13 9/16	13·56	7·50	15·13	254·8	7·81	20·74
	A	11¾	11·57	12⅜ –12¾	12	9½	12½ –12⅝	12½ –12⅝	13·94	7·50	15·65	222·9	8·91	23·94
	S	11½	11·29	12¼	12	9½	11 13/16 –12⅛	11⅞ –12	12·19	7·50	15·14	203·5	9·86	26·37
	O	11½	11·19	11¾	12	9½	11¼ –11¾	11 9/16 –11 11/16	10·12	7·50	15·93	199·4	10·12	27·16
	N	11½	11·29	12⅜ –12⅞	12	9½	12½ –12⅝	12 9/16 –12 11/16	10·62	7·50	16·89	181·0	11·09	30·10
	D	11½	11·30	13¼	12	9½	12½ –12 13/16	12⅝ –12¾	10·06	7·50	17·10	160·1	12·59	34·19
1975	*J*	11	10·58	12 –12¼	11½	9½	11¾ –12	11 13/16 –11 15/16	7·44	7·50	16·03	183·7	10·99	30·28
	F	10½	10·01	11½	11½	9	10¾ –11	10¾ –10⅞	7·31	7·50	14·94	262·6	7·56	21·66
	M	10	9·59	10½	10½	7½	9⅞ –10 1/16	9⅞ –10	6·97	7·50	13·92	292·6	6·80	20·35
	A	9¾	9·46	9¾	9½	6¼	9 9/16 – 9⅞	9 1/16 – 9 3/16	6·94	7·50	14·58	314·9	6·51	19·30
	M	10	9·67	10	9½	6¼	9⅞ –10	9 1/16 – 9 3/16	6·06	7·50	15·22	339·0	6·12	18·09
	J	10	9·71	9½ – 9⅝	9½	6¼	9⅜ – 9 1/16	9⅜ – 9⅜	6·75	7·00	14·70	332·6	6·06	18·07
	J	11	10·72	10½ –10⅝	9½	6¼	10⅜ –10 11/16	10¼ –10⅜	7·13	7·00	14·06	304·4	6·68	19·62
	A	11	10·66	10½	10	6½	10⅜ –10 9/16	10⅜ –10½	7·50	7·00	14·12	298·3	6·94	19·91
	S	11	10·76	10⅝ –10⅞	10	6½	10½ –10 11/16	10⅜ –10⅝	7·53	7·00	14·08	328·9	6·31	17·58
	O	12	11·74	11⅜ –11⅝	11	7	11 9/16 –11⅜	11 7/16 –11½	6·81	7·00	14·90	341·9	6·14	16·88
	N	11½	11·30	11⅜ –11 7/16	11	7	11⅛ –11⅜	11 3/16 –11 5/16	7·06	7·00	14·79	367·9	5·76	16·02
	D	11½	10·93	11½ –11⅝	11	7	11 1/16 –11 3/16	11 –11⅛	5·88	7·00	14·86	365·8	5·74	15·98
1976	*J*	10	9·52	9⅞ – 9 1/16	10½	6½	9⅜ – 9 11/16	9 7/16 – 9½	5·38	7·00	13·78	397·0	5·30	14·91
	F	9½	8·80	9 – 9⅛	9½	5½	8⅜ – 8⅞	8 1/16 – 8 1/16	5·63	7·00	13·54	404·2	5·17	14·99
	M	9	8·60	8⅜ – 8⅝	9½	5½	8 9/16 – 8 11/16	8 7/16 – 8 9/16	5·59	7·00	13·95	404·7	5·12	15·01
	A	10½	10·20	10⅛ –10½	9½	5½	9 3/16 –10 1/16	9⅞ – 9 1/16	5·53	7·00	13·97	406·0	5·13	15·17
	M	11½	11·31	11¼ –11⅜	10½	6½	11¼ –11 5/16	11 3/16 –11 5/16	6·63	6·50	13·72	406·6	5·26	15·19
	J	11½	11·30	11⅛ –11¼	10½	6½	11⅛ –11 7/16	11¼ –11⅜	6·09	6·50	14·01	378·6	5·69	16·14
	J	11½	11·17	11 3/16 –11¼	10½	6½	11 3/16 –11¼	11 3/16 –11¼	5·78	6·50	13·95	383·8	5·74	16·44
	A	11½	11·25	11⅛ –11¼	10½	6½	11⅛ –11 5/16	11 3/16 –11¼	5·69	6·50	14·11	368·1	6·03	17·55
	S	13	12·74	12¾ –12⅞	12	8½	12½ –12¾	12¼ –12⅜	5·59	6·50	14·47	344·0	6·52	19·23
	O	15	14·97	15¼ –15½	14	11	15⅛ –15⅜	15 3/16 –15¼	5·44	6·50	15·43	293·6	7·61	23·07
	N	14½	14·54	15 –15¼	14	11	14½ –14 13/16	14 7/16 –14 11/16	5·31	7·80	15·22	301·0	7·28	22·66
	D	14¼	13·98	14¾ –15	14	11	14⅜ –14⅝	14 1/16 –14⅜	5·06	7·80	14·49	328·6	6·67	20·91

[1] Previously known as Bank rate. With effect from 13 October 1972, the Bank's minimum lending rate to the market will normally be ½% higher than the average rate of discount for Treasury bills established at the weekly tender, rounded to the nearest ¼% above; the rate normally becomes effective, for lending by the Bank, from the following Monday. For changes in Bank rate 1932–72 see *Supplement of Definitions and Explanatory Notes* to *Monthly Digest of Statistics*.

[2] Average discount rate expressed as the rate at which interest is earned during the life of the bills.

[3] For a minimum term of 3 months and thereafter at 7 days' notice.

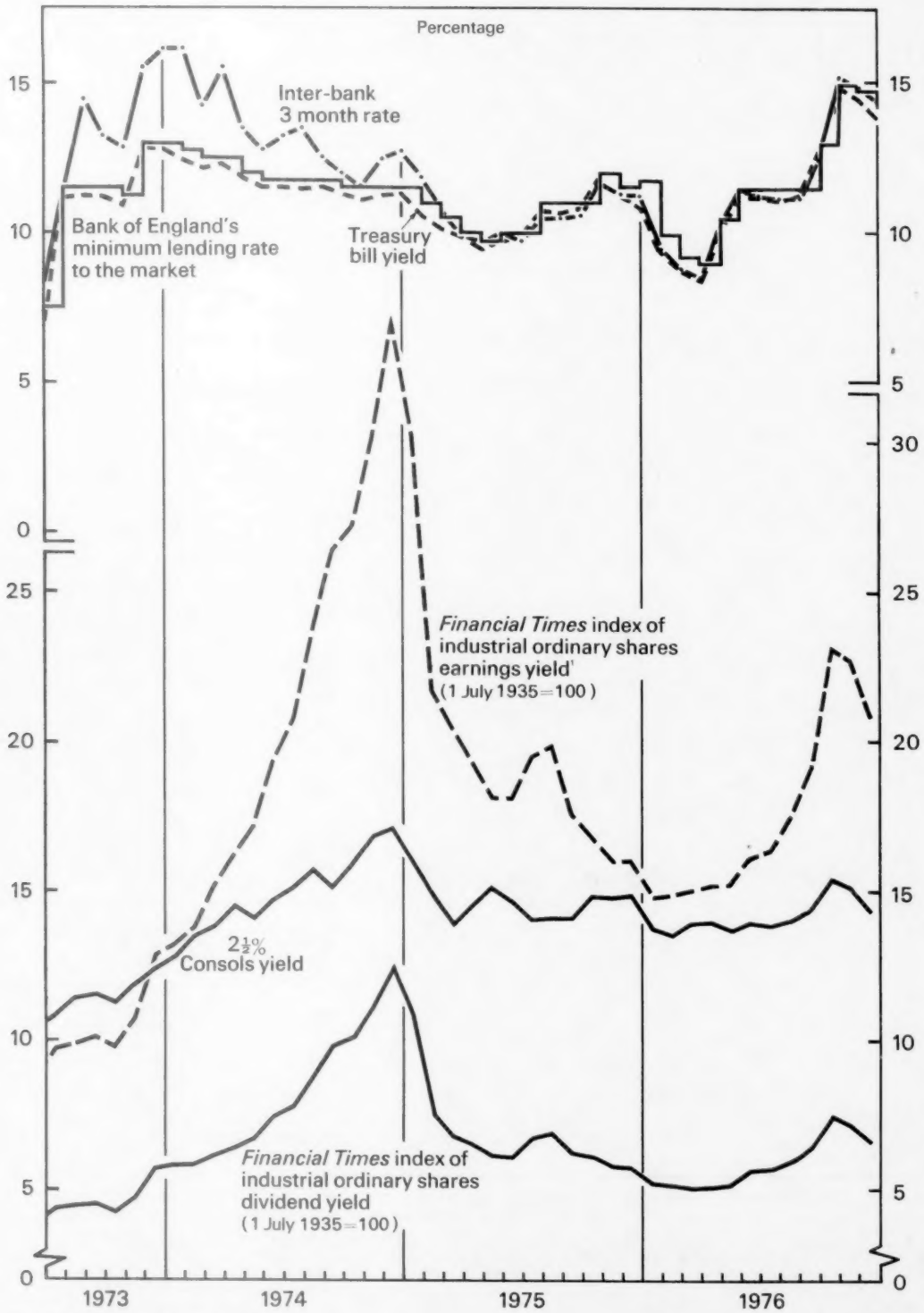
[4] Rate paid on deposits of less than £10,000, which was restricted to 9½% from September 1973 to 28 February 1975.

[5] Spread of rates over the day in the inter-bank sterling market.

[6] Middle-closing.

[7] Net of income tax where this is paid by societies at the agreed composite rate.

[8] A change in basis of calculation of the Earnings yield occurred on 26 February 1973 and is explained in *Financial Statistics Notes and Definitions*. No meaningful average for the month of February is therefore available.



[1] No figure available for February 1973

Cyclical indicators for the UK economy

Recent movements of the indicators

(data available to 11 January 1977)

The composite index of longer leading indicators rose in December although it has fallen in every other month since April. An increase in the *Financial Times* – Actuaries share price index and a small fall in short term interest rates both contributed to this movement.

The composite index of shorter leading indicators rose slightly in November. There was a small rise in the smoothed series for new car registrations, partly offset by a fall in the smoothed series for hire purchase new credit extended.

The composite index of coincident indicators has been revised to show a slightly larger increase in October, mainly due to an increase in the detrended series for manufacturing production in that month. However, inclusion of GDP estimates for the third quarter has led to the composite coincident index rising less steeply over that period than previously estimated.

Because industrial action has continued to prevent the compilation of some Department of Employment statistics, there is insufficient data to calculate the composite index of lagging indicators beyond October. New data for engineering orders, and revisions to third quarter stocks and investment data, however, have confirmed the rise in the lagging index from July.

Definitions[1]

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-term trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is an economic rationale to account for this relationship.

A composite index for each group of indicators is formed by subtracting from each series the values of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing, scaling to give cycles of similar amplitude and inversion where appropriate.

Most recent values of the composite indices[2]

January 1970 = 100

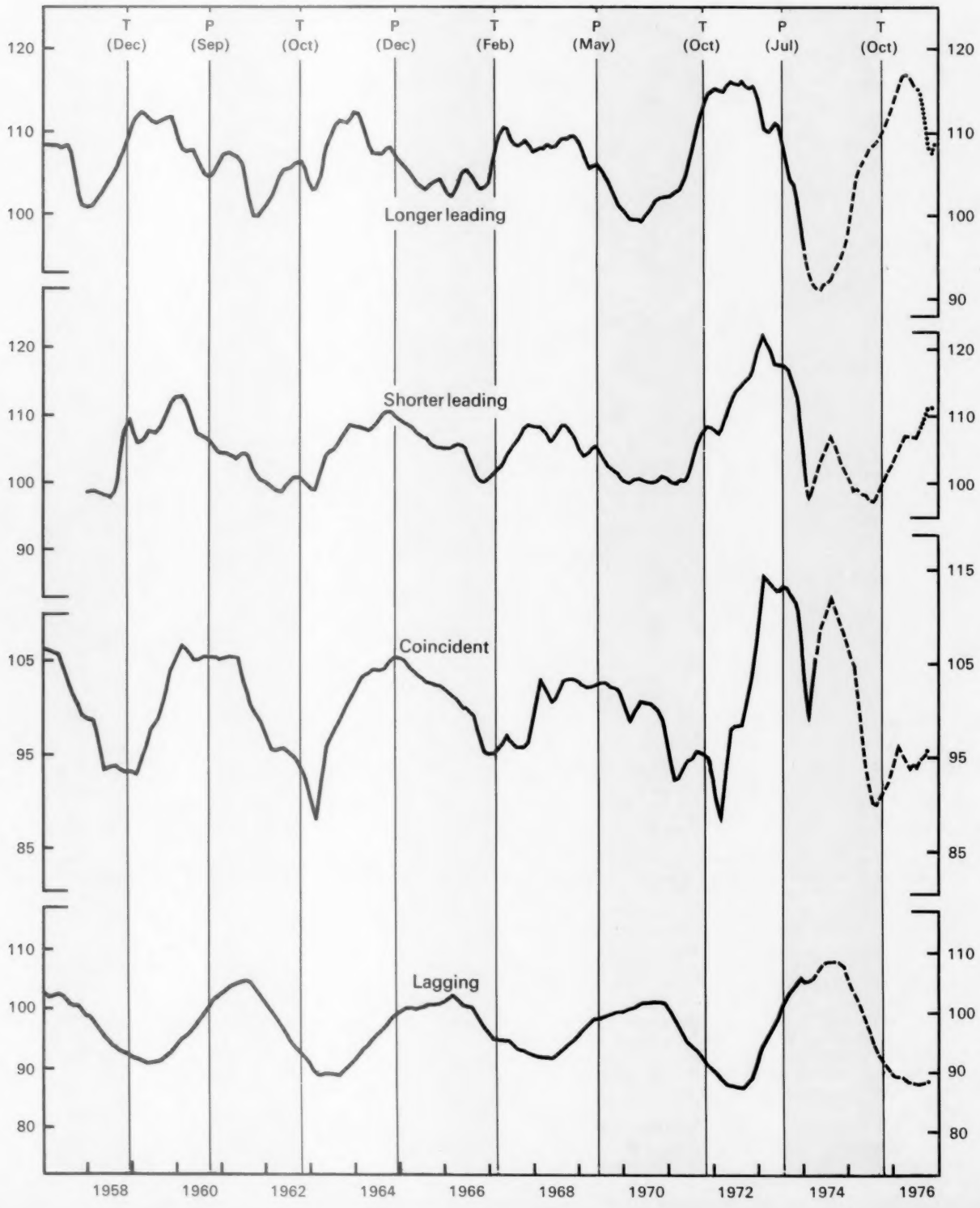
	1976											
	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Longer leading	114·0†	115·5	116·8	117·2	117·0	116·1	115·6	114·6	111·8	108·3	107·5	108·9
	4	*4*	*4*	*4*	*4*	*4*	*3*	*3*	*3*	*3*	*2*	*2*
Shorter leading	103·7†	105·3	106·4	107·1	107·2	107·1	106·9	108·0	109·2	111·1	111·3	..
	5	*5*	*5*	*5*	*5*	*5*	*5*	*4*	*4*	*2*	*2*	
Coincident	94·7†	96·3	95·4	94·6	93·8	94·2	94·0	94·7	95·1	95·8	..	..
	6	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*6*	*3*		
Lagging	88·9†	88·7	88·7	88·4	87·8	87·7	87·4	87·6	87·8	88·2	..	..
	5	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*5*	*2*		

[1] A full explanation of the methodology used is given in *Economic Trends* for March 1975 and May 1976. Each month a chart of the composite indicators is published with, in the February, May, August and November issues, a further eight pages showing individual indicator series.

[2] In the Table, the upper row presents the values of the composite indices for recent months, the lower row the number of series used to form each index. Values of the composite indices are published solely in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in their calculation; no significance, therefore, should be attached to the current levels of the indicators, although the month-to-month changes may be used as a guide to the location of turning points. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an incomplete set of indicators, the curves are shown as dotted lines. Additional tables giving the values of all series used are available from the CSO Press Office 01–233 6193.

Cyclical indicators

Composite indices of indicator groups. January 1970 = 100



Measures of variability of selected economic series[1]

	Page	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1970 prices								
GDP, factor cost								
Expenditure based	6	1st quarter 1966 to 2nd quarter 1976	1·4	1·0	0·8	1·2	2	0·6
Income based	6	" " " " " " "	1·3	0·9	0·9	1·0	2	0·4
Output based	6,28	" " " " " " "	1·0	0·6	0·7	0·9	1	0·9
Average estimate	6	" " " " " " "	1·2	0·8	0·8	1·0	2	0·4
Consumers' expenditure	8,10	" " " " " " "	1·2	0·7	0·8	0·9	1	0·9
Fixed capital formation								
Total	8,16	" " " " " " "	2·0	1·6	1·1	1·5	2	0·6
Manufacturing industry	18	" " " " " " "	3·4	2·6	2·4	1·1	2	0·3
Stockbuilding[2]								
Total	8,22	" " " " " " "	*104·3*	*75·7*	*60·8*	1·2	2	0·6
Manufacturing	22	" " " " " " "	*79·2*	*52·6*	*39·7*	1·3	2	0·6
Exports: goods and services	8	" " " " " " "	3·8	2·9	2·1	1·4	2	0·6
Imports: goods and services	8	" " " " " " "	3·0	2·2	1·8	1·2	2	0·5
Personal disposable income	10	" " " " " " "	1·8	1·3	1·1	1·2	2	0·5
Other national income series								
Gross trading profits of companies	58	" " " " " " "	4·4	2·6	3·2	0·8	1	0·8
Other quarterly series								
Construction output	30	1st quarter 1963 to 4th quarter 1974	2·1	1·2	1·3	0·9	1	0·9
Money stock (M_3)[3]	50	1st quarter 1963 to 4th quarter 1974	2·7	0·5	2·7	0·2	1	0·2
Monthly series								
Retail sales								
Total: current prices	12	January 1961 to December 1975	0·9	0·6	0·7	0·9	1	0·9
Total: constant prices	5,12	" " " " "	0·7	0·6	0·3	2·3	3	0·9
Food shops	12	" " " " "	0·7	0·6	0·2	3·7	4	1·0
Clothing and footwear shops	12	" " " " "	2·0	2·0	0·3	5·7	6	1·0
Durable goods shops	12	" " " " "	1·8	1·6	0·7	2·2	3	0·8
Other non-food shops	12	" " " " "	1·1	1·0	0·4	2·6	3	0·9
Cars: new regulations	5,12	January 1960 to September 1974	6·2	5·7	2·0	2·8	4	0·8
Housing: public authorities[4]								
Starts	20	January 1956 to December 1974	11·8	11·5	1·5	7·5	6	
Completions	20	" " " " "	8·0	7·9	1·1	7·2	6	
Housing; private								
Starts	20	" " " " "	7·9	7·6	2·2	3·5	4	0·9
Completions	20	" " " " "	5·7	5·8	1·0	5·8	6	0·9
Index of industrial production:								
All industries	5,26,28	January 1968 to August 1976	1·0	0·9	0·4	2·6	4	0·8
Manufacturing industries	26	" " " " "	1·2	1·1	0·4	2·8	4	0·7
Passenger car production:								
Home market	32	January 1968 to September 1974	5·9	5·6	1·2	4·8	6	0·8
Export	32	" " " " "	9·0	8·7	1·3	6·9	6	
Commercial vehicle production:								
Home market	32	" " " " "	6·6	6·3	1·1	5·6	6	0·9
Export	32	" " " " "	10·9	10·5	2·4	4·4	5	0·9
Unemployed excluding school-leavers[5]†	5,36	January 1961 to December 1975	*13·6*	*4·2*	*12·7*	0·3	1	0·3
Vacancies notified to employment offices[5]†	5,36	January 1960 to December 1975	*6·3*	*2·6*	*5·6*	0·5	1	0·5
Average earnings all industries and services covered	5,40	January 1963 to December 1973	0·8	0·4	0·7	0·6	1	0·6
Exports: value, f.o.b.	5,46	January 1963 to December 1975	3·3	3·0	1·2	2·6	3	0·8
Imports: value, f.o.b.	5,46	" " " " "	3·0	2·6	1·3	2·0	3	0·6

[1] For a complete description of these measures see article 'Measuring variability in economic time series' in the August 1972 issue of *Economic Trends*. The following are brief definitions of the measures.

$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.

$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.

$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes [2], [3] and [5].

$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.

The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

[2] The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present seasonal adjustment of the published stocks series is done multiplicatively on the level of stocks.

[3] Although the series is seasonally adjusted additively the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are presented as percentages of the level of the trend in the preceding quarter.

[4] Series relate to Great Britain, though variability measures calculated from England and Wales component.

[5] The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

Articles

Title	Page
National income and expenditure in the third quarter 1976	70
A review of the effects of taxes and benefits on household incomes 1961-1975	97

National income and expenditure in the third quarter of 1976[1]

This article presents quarterly estimates of national income and expenditure up to the third quarter of 1976. Provisional summary estimates of gross domestic product were issued by press notice on 17 December 1976, and the main aggregates shown in this article are little changed. The figures now incorporate the later estimates of fixed investment and stockbuilding for the third quarter published in *Trade and Industry* on 7 January 1977. These revisions were included in the press notice issued on 12 January 1977.

In commenting on the quarterly and annual national accounts estimates given in this article, usually only qualitative guidance is given on the relative reliability of different series. Special attention needs to be drawn, however, to the higher margins of error which should be attached to the series estimated at constant prices during periods when the rate of change in prices is relatively high. This point was referred to in an article describing the special problems of estimation which arose in 1972, where mention was made of the significantly higher rates of inflation occurring during the years 1970-72 compared with earlier periods. Subsequently the rates of change in prices reached even higher levels and the estimates at constant prices should therefore be regarded as subject to greater margins of error than in earlier years.

Gross domestic product

The output measure of GDP rose by less than half a percentage point in the third quarter; following revisions to the output measure for the first and second quarters of 1976, the picture that now emerges is that up to the third quarter there was virtually no growth in output during 1976, following the improvement during the second half of 1975. The expenditure-based measure, which moved erratically in the first and second quarters, returned to about the same level as that recorded for the first half of the year as a whole. Such erratic movements are not unusual in the expenditure-based measure, and it is because of this characteristic that the measure is not considered to be a reliable guide to short-term movements. The explanation is thought to lie with inconsistencies in timing between the components of

[1] A general description of national income statistics, together with details of the sources, methods and definitions used in making the estimates, is given in *National Accounts Statistics: Sources and Methods* (HMSO 1968). Subsequent changes are described in the notes to the 1976 issue of the Blue Book.

Gross domestic product at factor cost and national disposable income revalued at constant market prices[1]

Seasonally adjusted

Index numbers, 1970 = 100

	Gross domestic product						National disposable income
	At current prices		At 1970 factor cost				
	Based on expenditure data	Based on income data	Based on expenditure data	Based on income data[2]	Based on output data	Average estimate	At 1970 market prices[3]
1973	145·9	146·3	110·2	110·4	110·4	110·3	110·3
1974	169·1	169·0	110·5	110·4	109·5	110·1	105·2
1975	214·2	211·6	108·8	107·5	107·2	107·8	104·8
1974 *1*	151·9	146·7	107·5	103·9	107·6	106·3	..
2	161·1	160·7	111·4	111·2	110·0	110·9	..
3	178·4	179·2	112·4	113·0	111·0	112·1	..
4	184·9	189·4	110·7	113·6	109·4	111·2	..
1975 *1*	200·2	196·8	110·9	109·0	109·3	109·7	..
2	207·9	206·2	108·1	107·2	106·9	107·4	..
3	217·4	216·9	107·3	107·0	106·1	106·8	..
4	231·3	226·6	109·1	106·9	106·5	107·5	..
1976 *1*	239·7	231·2	112·0	108·0	108·1	109·4	..
2	238·9	240·6	108·5	109·3	107·7	108·5	..
3	252·1	245·9	110·1	107·4	108·0	108·5	..
1974 1st half	156·5	153·7	109·5	107·6	108·8	108·6	103·6
2nd half	181·7	184·3	111·6	113·3	110·2	111·7	106·8
1975 1st half	204·1	201·5	109·5	108·1	108·1	108·6	104·9
2nd half	224·4	221·8	108·2	107·0	106·3	107·2	104·6
1976 1st half	239·3	235·9	110·3	108·7	107·9	109·0	106·1

[1] These estimates are given to one decimal place but this does not imply that they can be regarded as accurate to the last digit shown.
[2] Income data deflated by the price index implied by estimates based on expenditure data. [3] Half yearly estimates only.

expenditure, particularly the recording of external trade, fixed investment and stocks. The income measure has also been moving erratically during 1976, falling sharply in the third quarter after a large rise between the first and second quarters.

The average measure of gross domestic product was 1½ per cent higher in the first three quarters of 1976, on the average, than in the second half of 1975. The expenditure and output-based measures made increases of 1½–2 and about 1½ per cent respectively over the same period of comparison. Gross national disposable income, measured at constant prices, was about 1½ per cent higher in the first half of 1976 than in the second half of 1975, which is similar to the rise in the average measure of gross domestic product over the same period.

In the third quarter the index of total home costs (derived from the expenditure measure at current and constant prices) rose by around 4 per cent. Between the six month period up to the end of the third quarter and the immediately preceding six month period total home costs rose by nearly 5½ per cent.

Estimates of gross domestic product at current and constant prices and gross national disposable income at constant prices are given as index numbers in the table on page 70.

Expenditure (Table 1)

The expenditure measure rose by about 1½ per cent in the third quarter following a fall of over 3 per cent between the first and second quarters. The quarterly movements in this series continue to be erratic, presumably because the measure has been more than normally affected by timing discrepancies in the recording of components. The quarterly variation in the residual error between the figures of incomes and expenditure at current prices reinforces this view. The sharp changes that are estimated in stockbuilding, together with the changes in the external balance in volume terms indicate possible inconsistencies in the recording of these components. In the first three quarters of 1976 as a whole, the expenditure measure was, on the average, 1½–2 per cent up on the second half of 1975.

Following the fall in consumers' expenditure in the second quarter, the third quarter has seen a recovery of 1–1½ per cent. Expenditure on food, alcoholic drink, clothing and footwear, radio and electrical goods and other areas of retail sales all increased, though, apart from food, some part of these increases reflects the rise in net tourist expenditure that took place during the quarter which is discounted in estimating consumers' expenditure. These increases were partially offset by a fall in expenditure on the running costs of motor vehicles. Between the six month period up to the end of the third quarter and the immediately preceding six month period, consumers' expenditure in total rose by ½–1 per cent. Over this same period expenditure on beer was up 6 per cent, and on fuel and light down by nearly 8 per cent. Expenditure on footwear increased by about 5½ per cent and on clothing by about 2 per cent.

The volume of exports of goods and services fell about ½ per cent in the third quarter after recording a 3 per cent rise in the second quarter. Recorded imports increased by about ½ per cent in the third quarter following the sharp rise of 8 per cent recorded in the second quarter. On the longer-term comparison between the six month period up to the end of the third quarter and the immediately preceding six month period, the volume of exports of goods and services increased by 4 per cent and the volume of imports of goods and services by 8 per cent.

The fall of nearly 3½ per cent recorded in gross domestic fixed capital formation in the second quarter was more than recouped by a rise of 4 per cent in the third quarter, but this rise was entirely accounted for by approximately £100 million of extra capital formation in imported oil platforms and related equipment. Manufacturing investment increased by about ½ per cent in the third quarter, while investment in the transport and communication industries showed a rise of about 5 per cent. Investment in private dwellings also showed a rise of about 8 per cent, more than offsetting a fall in public dwellings. Investment in the retail trades, however, showed a drop of 10 per cent in the third quarter, bringing it to around the average level for 1975.

The fall in the volume of stocks recorded for the second quarter has been revised downwards to £118 million at 1970 prices, while the estimate for the third quarter indicates a further fall of £30 million. The volume of stocks are now estimated to have fallen by £809 million since the beginning of 1975, with a downward movement in each quarter except the first quarter of 1976. Against this background, the provisionally estimated fall in the third quarter is relatively small, and is principally due to a continuing fall in the level of stocks held by the construction industry. Both manufacturing and retailing increased their level of stocks marginally.

Factor incomes (Table 2)

Total domestic incomes rose by nearly 2½ per cent in the third quarter on provisional estimates, following a rise of 4½–5 per cent for the previous quarter. Income from employment, which is the major component of total domestic income, rose about 2½ per cent in the third quarter. Taking the six month period up to the end of the third quarter and comparing it with the previous six month period up to the end of the first quarter total domestic incomes rose by about 7½ per cent, while income from employment rose by slightly less. Over the same periods, the gross trading profits of companies before deducting stock appreciation rose by about 12 per cent, and after deducting stock appreciation, by about 1 per cent. Comparing quarters two and three with the same period in 1975, gross trading profits of companies after deducting stock appreciation rose by 19–20 per cent, while total domestic incomes over the same period rose by 16–17 per cent. As a result, the share of profits in total domestic income after adjusting for stock appreciation rose from 6·6 per cent to 6·8 per cent, which is still well below the average of 12 per cent between 1964 and 1973. On provisional estimates, rent and self-employment income rose between the latest six month period and the comparable period a year earlier by 14 per cent.

Output (Table 3)

The output measure of gross domestic product rose slightly in the third quarter, by between 0–½ per cent. The downward revision to the second quarter now indicates that there was no growth between the first and second quarters. The third quarter figure now stands nearly 2 per cent above the same quarter a year previously, which was the low-point of the current cycle. Industrial output remained virtually constant in the third quarter. Between the six month period up to the end of the third quarter 1976 and the immediately preceding six month period gross domestic product rose by ½ per cent and industrial output remained flat. Within the production industries, output of manufacturing rose by under 1 per cent and that of mining and quarrying by 1½ per cent reflecting the continuing increase in the output from the North Sea. The output of the service industries continued to rise in the third quarter, most significantly for the distributive trades, where activity was boosted by the spending of income tax rebates which were received in the third quarter, and also for transport and communication where output continued the rise started in the first quarter of 1976.

Personal income, expenditure and saving (Tables 4 and 12)

Total personal incomes rose only 2 per cent in the third quarter, compared with rises of about 3 per cent in the second quarter and 4 per cent in the first. Wages and salaries rose 2–2½ per cent in the third quarter compared with 3½–4 per cent in the previous quarter. Current grants from public authorities rose by less than ½ per cent in the third quarter; there was a rise of 1½ per cent in other personal incomes, with small rises in both rent dividends and interest, and self-employment income. Between the six month period up to the end of the third quarter and the immediately preceding six month period, total personal incomes rose by about 6–6½ per cent, and wages and salaries by about 6½ per cent. Employers' contributions increased by 11–12 per cent over the same period, reflecting the increased national insurance contributions that came into effect in April.

Payment of taxes on income fell by 7½ per cent in the third quarter, reflecting the payment of rebates due as a consequence of changes to the tax thresholds announced in the previous Budget: this contributed to a rise in personal disposable income of 3½ per cent. On the six month comparison used above, payment of tax and national insurance contributions combined rose about 7½ per cent, while personal disposable incomes, after deducting these items, increased by 6 per cent.

Consumers' expenditure at current prices increased by 4½–5 per cent in the third quarter, which was ½–1 per cent faster than disposable income: as a consequence of this the savings ratio dropped to 12·6 per cent. This is the lowest that the savings ratio has been for over two years. Consumer prices rose slightly more slowly than disposable income in the third quarter, leading to a rise of ½–1 per cent in real personal disposable income. Taking the longer, six-monthly comparison used above, personal disposable income rose roughly as fast as consumer prices, so that real personal disposable income was virtually unchanged in the last six months from the previous six month period. Over the same period the saving ratio declined slightly from 13·2 to 12·9 per cent.

The volume of consumers' expenditure is estimated to have risen by 1–1½ per cent in the third quarter bringing it back above the level of the first quarter, following the drop in the second quarter. As noted above, most areas of retail sales were buoyant, although part of this was attributable to the high level of expenditure by foreign tourists which is excluded from the estimates of total consumers' expenditure. Taking quarters two and three together, and comparing these with the previous six month period, foreign tourist expenditure in this country is estimated to have increased by 10–11 per cent in volume terms, against which consumers' expenditure of UK residents abroad is estimated to have fallen by about 8 per cent in volume over the same period. Expenditure on cars was about 4½ per cent higher in the last six months compared with the previous six months; expenditure on household durables was also up by about 6 per cent.

Industrial and commercial companies sector (Table 6)

The total income of industrial and commercial companies, defined to exclude taxes paid abroad, rose by 12 per cent between the six month period up to the end of the third quarter and the preceding six month period. Gross trading profits over the same period rose by nearly 11 per cent, but the greater part of this was due to an increase of nearly 30 per cent in stock appreciation, which was itself largely attributable to a combination of increasing commodity prices and the effects of sterling depreciation. After deducting stock appreciation, gross trading profits were up only 2½ per cent. Income from abroad, net of taxes paid abroad, increased by 13 per cent over this period, and rent and non-trading income rose by 18–19 per cent. A comparison of the last two quarters with the same period in 1975 shows gross trading profits increasing by 25 per cent, but, after deducting stock appreciation, the increase is 17 per cent.

On the allocation of income side of the account, comparing quarters two and three with the preceding six months, the payment of ordinary dividends fell by 18 per cent at present estimates, while payment of other interest rose by nearly 13 per cent. This fall in the level of dividend payments, which contributed to the rise in the balance of undistributed income of 16 per cent, was largely the result of an erratically high first quarter figure. Profits due abroad, net of UK tax, increased sharply by 20 per cent, reflecting the upturn in UK activity over this period. Between quarters two and three 1976 and the same period in 1975, the balance of undistributed income on current account, after deducting stock appreciation, increased by 37 per cent, contributing substantially to IC companies improved liquidity position since mid-1975.

Financial companies (Table 7)

Total income of financial companies rose 13 per cent between the six month period to the end of the third quarter and the immediately preceding six month period. Rent and

non-trading income – mostly interest receipts – of banks and building societies rose 8½ and 7½ per cent respectively, and income from abroad rose 12 per cent. On the allocation of income side of the account, dividends fell by 4½ per cent over the same six month comparison period, while bank interest payments were up 6 per cent. Building society interest payments were only up 3½ per cent, which contrasted with interest payments of over 6 per cent by the banking sector. Undistributed income increased by 28 per cent over the same period, indicating a continued improvement in the liquidity position of financial companies.

Public corporations (Table 8)

The gross trading surplus of public corporations fell by a little over 1 per cent in the third quarter, although this was more than compensated by a rise in rent and non-trading income, so that total income rose a little. A comparison of quarters two and three combined with the previous two quarters indicates a rise of 5 per cent over the six month period.The effect of the price rises for gas, electricity and postal services in the fourth quarter 1975 is shown by the year on year change of the second and third quarters combined of 43 per cent in the gross trading surplus. Interest payments in the latest six months were up 12½ per cent on the previous six months, which accounted for a fall of around 2 per cent in undistributed income over the same period.

Central government (Table 9)

With rent, dividends and interest the only component of central government income that made any significant gain in the third quarter, total current account receipts were just 2 per cent up from the previous quarter. Further information has led to a substantial upward revision in the estimate of taxes on expenditure in the second quarter; these increased by 5½ per cent in the third quarter. The fall in taxes on incomes is due to the payment of tax rebates which were made entirely in the third quarter.

Total current expenditure of the central government showed a small rise of around 1 per cent at current prices in the third quarter. Current expenditure on goods and services rose by 3 per cent, but this was offset by a fall in subsidies, mostly food subsidies, and current grants to local authorities. Debt interest, however, showed a further rise of over 9 per cent on the previous quarter. Current grants to the personal sector were virtually unchanged in the third quarter. Taking quarters two and three together and comparing them with the immediately preceding six month period, total current expenditure has risen by 5 per cent, while current expenditure on goods and services and current grants to the personal sector – including national insurance benefits – have risen by 6½-7 per cent and 7–7½ per cent respectively. Subsidies, however, are down 9 per cent over this period and current grants to local authorities are down 3 per cent. Debt interest showed the biggest change over this period, increasing by more than 17 per cent. Over the same six monthly comparison total receipts increased by over 8 per cent, rather more quickly than did expenditure, resulting in a fall of 44 per cent in the central government's current account deficit.

Local authorities (Table 10)

The slight fall in local authority receipts in the third quarter was wholly attributable to the drop in current grants from central government, referred to above. Partially offsetting this was a small rise in rates and a 2½–3 per cent rise in rent, dividends and interest. Total current expenditure increased by 4 per cent in the third quarter, very largely due to a 16½ per cent rise in debt interest. Debt interest accounted for nearly 20 per cent of total current expenditure in the third quarter. Taking the most recent six month period up to the end of the third quarter and comparing this with the immediately preceding six month period, total current expenditure rose by 6 per cent and current expenditure on goods and services, the main component, rose by 5½ per cent. Over the same period receipts increased by 2½ per cent, the large increases in rates and rents, dividends and interest, of 10½ and 10 per cent respectively, being largely offset by the 3 per cent fall in current grants from central government noted above. The slower rise of receipts has lead to a fall of over 20 per cent in the current account surplus over this period.

International transactions (Table 11)

The current account deficit rose to £640 million in the third quarter, compared with a revised estimate of £530 million in the second. An increase of £200 million in the deficit on goods was offset in part by an improvement of £125 million in the surplus on services. At 1970 prices the export of goods fell back by £80 million to £2,630 million, just above the level of the first quarter of the year, while imports of goods increased slightly to £2,721. The increased surplus on services reflected an increase in the volume of exports of 5½ per cent and in imports of 1–1½ per cent. The balance of property income transactions, after allowing for taxation was little changed. In the six months ended September 1976 the current account deficit was £1,170 million compared with £328 million in the previous six months. Over this period, exports and imports of goods and services increased by about 4 and 7½ per cent in volume, respectively.

Summary capital account (Table 12)

In the most recent two quarters shown, total domestic saving totalled £13,161 million, an increase of 13 per cent on the previous six months. The largest element of this increase was in company saving which before providing for stock appreciation increased by £976 million (17 per cent) over the same period. After allowing for stock appreciation the increase in company saving was £325 million, or 9 per cent. Over the same period, gross capital formation at current prices increased by 10 per cent, predominantly in the company sector which registered an increase of nearly 21 per cent to £7,108 million in the latest six months; and in the personal sector where the increase was £216 million, or just over 10 per cent. Over this period the public authorities' deficit fell by £605 million to £2,726: partly reflecting this, the net acquistion of financial assets of the other domestic sectors fell. The personal sector's net acquisitions fell from £2,938 million to £2,905 million, and public corporations deficit rose by £187 million to £1,436 million, about the level of the same period in 1975.

Gross domestic fixed capital formation (Tables 14 and 15)

Total fixed investment rose by 4 per cent in the third quarter, following a sharp fall of 3½ per cent in the second quarter. This recovery was entirely due to the rise in investment in the private sector, which increased by about 9 per cent in the third quarter following a rise of 3–3½ per cent in the preceding quarter. This substantial third quarter rise in the private sector's investment, however, is largely accounted for by approximately £100 million of extra capital formation in imported oil platforms and related equipment, which were delivered during the summer, but have not been adjusted for seasonality. If this expenditure were excluded from the calculation, private sector investment would have increased by about 2 per cent in the third quarter. These increases in the private sector were partially offset by a further fall in public authorities expenditure of 5½–6 per cent in the third quarter following a drop of 12½ per cent in the second quarter. However, the first quarter figure for public authorities was unusually high, indicating that the seasonal pattern of expenditure may be changing and that such changes are not being fully discounted in the adjusted figures. Public corporations' expenditure was unchanged in the third quarter. Taking a longer-term comparison between quarters two and three and the preceding six months, fixed investment as a whole declined by 2 per cent, with an increase of 5 per cent in the private sector, and a decrease of 10½ per cent for the public sector.

As noted above, nearly all the increase in fixed investment during the third quarter was due to the imported oil platforms. Manufacturing was unchanged in the third quarter, while transport and communication rose 5 per cent; other increases were for investment in dwellings at 1½ per cent, and gas, electricity and water at 5 per cent. Offsetting these increases were falls of 11 per cent in distributive trades and 5 per cent in public services. Over a longer period, comparing the last six months with the previous six month period, the picture is rather different: manufacturing has increased by 1–1½ per cent, but gas, electricity and water, and transport and communications have had substantial falls of 16–17 per cent and 10 per cent respectively. Investment in the distributive trades, however, was unchanged over the same period.

Value of physical increase in stocks and work in progress (Table 16)

On provisional estimates there was a fall of only £30 million, at 1970 prices, in stocks in the third quarter, compared with a fall of £118 million in the second quarter. Since the quarterly estimates of stockbuilding are subject to wide margins of error, the interpretation of quarterly changes is very uncertain. The third quarter's fall of £30 million in stocks may reasonably be compared with the average fall of £96 million per quarter in the preceding twelve months. The previous article, published in the October edition of *Economic Trends*, gave details of the adjustments that had been made to the stockbuilding figures for 1975 and 1976: there have been no further adjustments for the third quarter 1976.

Central Statistical Office

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*The tables show annual figures from 1970 and quarterly figures from 1974.

APPENDIX

Expenditure on the gross domestic product:

TABLE 1

£ million

	Gross domestic product at factor cost[1]	Final expenditure on goods and services at market prices: Total		Consumers' expenditure	Public authorities' current expenditure	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Imports of goods and services	Taxes on expenditure	Subsidies
		Unadjusted	Seasonally adjusted								
At current prices											
1971	49,071	68,809		35,165	10,344	10,515	118	12,667	11,865	8,788	915
1972	54,968	76,503		39,716	11,772	11,680	57	13,278	13,408	9,262	1,135
1973	63,471	90,670		45,044	13,403	14,148	1,163	16,912	18,557	10,092	1,450
1974	73,530	108,593		51,832	16,578	16,633	1,144[2]	22,406	26,715	11,342[2]	2,994
1975	93,156	131,543		63,373	22,907	20,510	—1,349	26,102	28,247	14,046	3,906
1974 *1*	15,825	23,774	24,650	11,334	3,801	4,075	—346	4,910	6,121	2,500	672
2	17,259	26,336	26,518	12,483	3,791	3,716	648	5,698	6,802	2,858	583
3	19,408	28,307	28,301	13,317	4,269	4,726	782	5,813	6,839	2,903	843
4	21,038	30,176	29,124	14,698	4,717	4,716	60	5,985	6,953	3,081	896
1975 *1*	21,094	29,586	30,640	13,925	5,394	4,952	—674	5,989	6,745	2,888	1,141
2	22,276	31,684	31,825	15,463	5,424	4,714	—356	6,439	6,856	3,490	938
3	23,659	33,751	33,675	16,266	5,877	5,310	—258	6,556	7,265	3,727	900
4	26,127	36,522	35,403	17,719	6,212	5,534	— 61	7,118	7,381	3,941	927
1976 *1*	25,296	35,772	36,683	16,701	6,340	5,749	—393	7,375	7,632	3,667	823
2	25,741	37,660	37,917	17,797	6,514	5,224	— 93	8,218	8,798	4,036	915
3	27,480	40,010	39,973	18,725	6,641	5,873	218	8,553	9,194	4,188	852
Revalued at 1970 prices										Adjustment to factor cost 3	
1971	44,488	63,711		32,505	9,344	9,681	99	12,082	11,406	7,817	
1972	45,243	66,386		34,402	9,725	9,870	39	12,350	12,727	8,416	
1973	47,907	71,290		35,935	10,131	10,279	1,127	13,818	14,412	8,971	
1974	48,053	71,427		35,612	10,325	10,087	604	14,799	14 490	8,884	
1975	47,333	69,682		35,374	10,807	9,967	—699	14,233	13,566	8,783	
Unadjusted											
1974 *1*	11,211	16,923		8,349	2,608	2,668	—237	3,535	3,592	2,120	
2	11,932	17 756		8,708	2,533	2,323	373	3,819	3,705	2,119	
3	12,251	18 102		8 960	2,563	2,437	394	3,748	3,643	2,208	
4	12,659	18,646		9,595	2,621	2,659	74	3,697	3,550	2,437	
1975 *1*	11 588	17,053		8,511	2,683	2,612	—279	3.526	3,338	2,127	
2	11,598	17,136		8,748	2,657	2,344	—211	3,598	3,390	2,148	
3	11,708	17,318		8,780	2,707	2,500	—149	3,480	3,454	2,156	
4	12,439	18,175		9,335	2,760	2,511	— 60	3,629	3,384	2,352	
1976 *1*	11,755	17,226		8,402	2,800	2,522	—121	3,623	3,378	2,093	
2	11,652	17,438		8,704	2,774	2,227	— 63	3,796	3,626	2,160	
3	12,036	17,913		8,924	2,752	2,394	44	3,799	3.652	2.225	
Seasonally adjusted											
1974 *1*	11,686	17,539		8,853	2,592	2,594	—105	3,605	3,582	2,271	
2	12,111	17,926		8,814	2 555	2.436	321	3,800	3,684	2,131	
3	12,216	18,099		8,956	2,571	2,476	330	3,766	3,660	2,223	
4	12,040	17,863		8,989	2,607	2,581	58	3,628	3.564	2,259	
1975 *1*	12,055	17,714		8,989	2,638	2,533	—126	3,680	3,398	2,261	
2	11,752	17,234		8,851	2,677	2.460	—269	3,515	3.320	2,162	
3	11,663	17.268		8,776	2,732	2 528	—214	3,446	3,434	2,171	
4	11,863	17,466		8,758	2,760	2,446	— 90	3.592	3,414	2,189	
1976 *1*	12,175	17,773		8,876	2,762	2,427	38	3,670	3,366	2,232	
2	11,795	17,606		8,812	2,787	2,343	—118	3,782	3,635	2,176	
3	11,973	17,874		8,928	2,778	2,436	— 30	3,762	3,657	2,244	

[1] Equals total final expenditure on goods and services at market prices *less* imports of goods and services *less* adjustment to factor cost. Estimates of the gross domestic product at constant factor cost based on statistics of output and income are given in Table 3, and in the text of the article.

[2] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT; the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

[3] This represents taxes on expenditure *less* subsidies valued at constant rates.

Factor incomes in the gross national product

TABLE 2

£ million

	Gross national product	Net property income from abroad	Gross domestic product at factor cost	Factor incomes: Total domestic income[1]	Income from employment[2]	Gross trading profits of companies[1]	Gross trading surplus of public corporations[1]	Gross profits of other public enterprises[1]	Income from rent and self-employment[1]	*less* Stock appreciation	Residual error
1971	49,571	500	49,071	49,766	33,506	6,585	1,520	177	7,978	—1,076	381
1972	55,519	551	54,968	56,684	37,598	7,732	1,681	140	9,533	—1,335	—381
1973	64,854	1,383	63,471	66,935	43,291	9,872	2,062	141	11,569	—3,180	—284
1974	74,922	1,392	73,530	79,729	52,494	10,783	2,520	123	13,809	—6,091	—108
1975	94,105	949	93,156	97,429	68,181	10,387	2,898	114	15,849	—5,203	930
Unadjusted											
1974 *1*	16,240	415	15,825	17,947	11,544	2,621	558	38	3,186	—2,061	— 61
2	17,651	392	17,259	19,103	12,324	2,743	642	27	3,367	—1,667	—177
3	19,707	299	19,408	20,255	13,573	2,566	542	28	3,546	—1,092	245
4	21,324	286	21,038	22,424	15,053	2,853	778	30	3,710	—1,271	—115
1975 *1*	21,277	183	21,094	22,953	15,819	2,678	719	31	3,706	—1,635	—224
2	22,486	210	22,276	23,556	16,505	2,507	621	23	3,900	—1,250	— 30
3	23,921	262	23,659	24,426	17,561	2,314	507	26	4,018	—1,135	368
4	26,421	294	26,127	26,494	18,296	2,888	1,051	34	4,225	—1,183	816
1976 *1*	25,530	234	25,296	26,527	18,345	2,924	939	31	4,288	—1,438	207
2	26,011	270	25,741	27,702	19,151	3,192	892	14	4,453	—1,627	—334
3	27,797	317	27,480	28,166	19,691	3,013	832	36	4,594	—1,731	1,045
Seasonally adjusted											
1974 *1*	16,900	380	16,520	18,040	11,630	2,625	522	38	3,225	—2,061	541
2	17,870	350	17,520	19,170	12,405	2,688	672	27	3,378	—1,667	17
3	19,731	339	19,392	20,615	13,641	2,729	665	28	3,552	—1,092	—131
4	20,421	323	20,098	21,904	14,818	2,741	661	30	3,654	—1,271	—535
1975 *1*	21,983	216	21,767	23,081	15,934	2,674	693	31	3,749	—1,635	321
2	22,787	182	22,605	23,715	16,621	2,469	688	23	3,914	—1,250	140
3	23,897	260	23,637	24,762	17,636	2,472	605	26	4,023	—1,135	10
4	25,438	291	25,147	25,871	17,990	2,772	912	34	4,163	—1,183	459
1976 *1*	26,338	281	26,057	26,623	18,473	2,910	875	31	4,334	—1,438	872
2	26,245	275	25,970	27,843	19,282	3,145	934	14	4,468	—1,627	—246
3	27,694	284	27,410	28,523	19,757	3,212	921	36	4,597	—1,731	618

[1] Before providing for depreciation and stock appreciation.
[2] Wages and salaries, forces pay and employers contributions.

Index numbers of output at constant factor cost: seasonally adjusted

TABLE 3

1970 = 100

	Gross domestic product[1,2]	Agriculture, forestry and fishing	Industrial production[3]					Transport and communication	Distributive trades	Other services
			Total	Mining and quarrying	Manufacturing	Construction	Gas, electricity and water			
1970 weights	*1,000*	*30*	*438*	*16*	*327*	*64*	*31*	*85*	*104*	*343*
1971	101·5	106	100·5	100·0	99·7	103·0	103·9	101	101	103
1972	104·5	108	102·7	84·1	102·4	104·4	111·4	106	107	106
1973	110·4	111	110·3	92·6	111·0	107·5	118·1	114	114	109
1974	109·5	116	106·4	78·8	108·2	98·2	118·6	114	113	111
1975	107·2	109	101·2	86·0	101·7	93·5	120·4	113	110	113
Seasonally adjusted										
1974 *1*	107·6	114	104·3	53·3	107·0	101·7	109·0	113	113	110
2	110·0	115	108·2	86·1	110·1	100·0	116·0	114	110	110
3	111·0	116	108·2	88·0	109·9	97·7	123·1	115	114	111
4	109·4	117	104·9	87·7	106·0	93·6	126·3	115	114	111
1975 *1*	109·3	114	104·7	87·3	106·1	93·4	122·3	115	113	112
2	106·9	111	100·3	85·4	100·5	93·8	119·2	114	111	113
3	106·1	108	99·6	84·4	99·7	94·4	116·7	112	108	113
4	106·5	105	100·4	86·8	100·4	92·5	123·4	112	108	113
1976 *1*	108·1	104	101·9	88·0	101·8	93·4	126·5	113	111	114
2	107·7	103	102·1	89·8	103·2	90·8	121·0	114	110	114
3	108·0	100	101·6	87·4	102·6	91·5	119·6	115	113	114

[1] Alternative estimates of the gross domestic product are given in the text of the article and in Table 1.

[2] As from 1970 the gross domestic product is shown adjusted to allow for the use of delivery rather than production indicators to represent output in certain industries within manufacturing. The industrial production index and the index for manufacturing are not adjusted for this effect.

[3] These series may not be fully consistent with those shown on page 26, which include the latest information.

Personal income, expenditure and saving

TABLE 4

	£ million												
	Personal income before tax												
	Total[1]	Wages and salaries	Forces' pay	Employers' contributions[2]	Current grants from public authorities[3]	Other personal income[4,5]	Transfers abroad (net) and taxes paid abroad	UK taxes on income (payments)[6]	National insurance, etc. contributions	Total personal disposable income[7,8]	Consumers' expenditure	Balance: personal saving[8,9]		Personal disposable income at 1970 prices[10]
1971	47,744	29,691	758	3,057	4,784	9,454	31	6,424	2,835	38,454	35,165	3,289	*8·6*	35,545
1972	54,228	33,163	862	3,573	5,853	10,777	74	6,592	3,333	44,229	39,716	4,513	*10·2*	38,311
1973	62,775	38,079	928	4,284	6,445	13,039	111	7,780	3,930	50,954	45,044	5,910	*11·6*	40,650
1974	75,850	45,900	1,078	5,516	7,873	15,483	110	10,440	5,000	60,300	51,832	8,468	*14·0*	41,430
1975	95,700	59,292	1,296	7,593	10,208	17,311	104	15,039	6,823	73,734	63,373	10,361	*14·1*	41,157
Unadjusted														
1974 *1*	17,041	10,106	234	1,204	1,784	3,713	24	2,315	1,117	13,585	11,334	2,251	*16·6*	10,002
2	17,827	10,843	230	1,251	1,813	3,690	22	2,479	1,124	14,202	12,483	1,719	*12·1*	9,902
3	19,698	11,804	320	1,449	2,013	4,112	25	2,733	1,313	15,627	13,317	2,310	*14·8*	10,509
4	21,284	13,147	294	1,612	2,263	3,968	39	2,913	1,446	16,886	14,698	2,188	*13·0*	11,017
1975 *1*	22,172	13,848	281	1,690	2,154	4,199	13	3,466	1,526	17,167	13,925	3,242	*18·9*	10,474
2	23,118	14,344	280	1,881	2,580	4,033	34	3,626	1,711	17,747	15,463	2,284	*12·9*	10,022
3	24,783	15,212	369	1,980	2,644	4,578	24	4,009	1,771	18,979	16,266	2,713	*14·3*	10,226
4	25,627	15,888	366	2,042	2,830	4,501	33	3,938	1,815	19,841	17,719	2,122	*10·7*	10,435
1976 *1*	26,353	15,931	340	2,074	3,111	4,897	39	4,449	1,848	20,017	16,701	3,316	*16·6*	10,070
2	26,954	16,537	341	2,273	3,160	4,643	15	4,555	2,139	20,245	17,797	2,448	*12·1*	9,901
3	28,088	16,994	379	2,318	3,172	5,225	12	4,235	2,187	21,654	18,725	2,929	*13·5*	10,320
Seasonally adjusted														
1974 *1*	17,171	10,192	234	1,204	1,807	3,734	24	2,198	1,117	13,832	12,014	1,818	*13·1*	10,199
2	18,000	10,924	230	1,251	1,807	3,788	22	2,463	1,124	14,391	12,579	1,812	*12·6*	10,090
3	19,628	11,872	320	1,449	2,034	3,953	25	2,746	1,313	15,544	13,313	2,231	*14·4*	10,463
4	21,051	12,912	294	1,612	2,225	4,008	39	3,033	1,446	16,533	13,926	2,607	*15·8*	10,678
1975 *1*	22,314	13,963	281	1,690	2,205	4,175	13	3,416	1,526	17,359	14,686	2,673	*15·4*	10,620
2	23,319	14,460	280	1,881	2,565	4,133	34	3,551	1,711	18,023	15,572	2,451	*13·6*	10,239
3	24,683	15,287	369	1,980	2,660	4,387	24	3,961	1,771	18,927	16,282	2,645	*14·0*	10,197
4	25,384	15,582	366	2,042	2,778	4,616	33	4,111	1,815	19,425	16,833	2,592	*13·3*	10,101
1976 *1*	26,450	16,059	340	2,074	3,103	4,874	39	4,377	1,848	20,186	17,553	2,633	*13·0*	10,207
2	27,276	16,668	341	2,273	3,157	4,837	15	4,539	2,139	20,583	17,874	2,709	*13·2*	10,148
3	27,838	17,060	379	2,318	3,167	4,914	12	4,201	2,187	21,438	18,735	2,703	*12·6*	10,216

[1] Before providing for depreciation and stock appreciation.
[2] Employers' contributions to national insurance, etc. and pension funds.
[3] National insurance benefits, family allowances, assistance grants, war pensions and service grants, etc.
[4] Income from rent and self-employment, before providing for depreciation and stock appreciation, dividend and net interest receipts, and transfers to charities from companies.
[5] From the second quarter of 1973 includes tax credits on dividends.
[6] From the second quarter of 1973 includes imputed tax payments set against tax credits on dividends *less* payments of these tax credits by the Inland Revenue.
[7] Equals total personal income before tax *less* payments of taxes on income, national insurance, etc. contributions and net transfers abroad.
[8] Before providing for depreciation, stock appreciation and additions to tax reserves.
[9] Personal saving as a percentage of total personal disposable income is shown in italics.
[10] Personal disposable income revalued by the implied consumers' expenditure deflator (1970 = 100).

Appropriation account of companies

TABLE 5

£ million

	Income						Allocation of income					
	Income arising in the United Kingdom						Dividends and interest, etc.					
	Gross trading profits											
	Total[1]	After deducting stock appreciation	Stock appreciation	Total[2]	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[1]
1971	10,274	5,754	831	6,585	2,453	1,236	1,621	2,022	453	1,540	4,638	*1,434*
1972	12,113	6,665	1,067	7,732	2,945	1,436	1,613	2,278	600	1,518	6,104	*1,747*
1973	16,652	7,326	2,546	9,872	4,218	2,562	1,695	3,341	710	1,718	9,188	*2,540*
1974	18,829	5,875	4,908	10,783	5,286	2,760	1,566	4,374	612	2,404	9,873	*4,176*
1975	18,557	6,280	4,107	10,387	5,652	2,518	1,520	4,556	600	1,887	9,994	*3,621*
Unadjusted												
1974 *1*	4,691	881	1,740	2,621	1,290	780	383	1,030	190	1,573	1,515	*1,026*
2	4,741	1,411	1,332	2,743	1,287	711	455	1,079	157	137	2,913	*1,134*
3	4,497	1,712	854	2,566	1,331	600	385	1,102	103	525	2,382	*974*
4	4,900	1,871	982	2,853	1,378	669	343	1,163	162	169	3,063	*1,042*
1975 *1*	4,652	1,409	1,269	2,678	1,369	605	320	1,133	169	1,443	1,587	*971*
2	4,489	1,523	984	2,507	1,373	609	445	1,102	178	52	2,712	*925*
3	4,329	1,403	911	2,314	1,411	604	382	1,104	106	200	2,537	*948*
4	5,087	1,945	943	2,888	1,499	700	373	1,217	147	192	3,158	*777*
1976 *1*	5,097	1,781	1,143	2,924	1,487	686	328	1,115	218	1,276	2,160	*931*
2	5,545	1,890	1,302	3,192	1,572	781	491	1,182	226	−73	3,719	*947*
3	5,519	1,579	1,434	3,013	1,691	815	400	1,206	220	389	3,304	*1,041*
Seasonally Adjusted												
1974 *1*	4,655	885	1,740	2,625	1,287	743	474	1,028	193	419	2,541	*984*
2	4,696	1,356	1,332	2,688	1,319	689	372	1,093	155	620	2,456	*1,113*
3	4,718	1,875	854	2,729	1,339	650	378	1,129	116	713	2,382	*1,055*
4	4,760	1,759	982	2,741	1,341	678	342	1,124	148	652	2,494	*1,024*
1975 *1*	4,666	1,405	1,269	2,674	1,365	627	401	1,129	168	335	2,633	*931*
2	4,471	1,485	984	2,469	1,406	596	361	1,118	179	465	2,348	*907*
3	4,513	1,561	911	2,472	1,422	619	377	1,133	116	426	2,461	*1,027*
4	4,907	1,829	943	2,772	1,459	676	381	1,176	137	661	2,552	*756*
1976 *1*	5,130	1,767	1,143	2,910	1,482	738	460	1,111	222	164	3,173	*896*
2	5,533	1,843	1,302	3,145	1,612	776	393	1,206	215	354	3,365	*931*
3	5,735	1,778	1,434	3,212	1,704	819	384	1,237	244	534	3,336	*1,129*

[1]Taxes paid abroad are not included in total income, but are shown solely as a memorandum item.

[2]Before providing for depreciation and stock appreciation.

[3]With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4]Payments of corporation tax (including advance corporation tax from 6 April 1973) *less* increases in balance of deductions of income tax from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the third quarter of 1976 the amount of advance corporation tax included was £283 million.

[5]Before providing for depreciation, stock appreciation and additions to reserves.

Appropriation account of industrial and commercial companies

TABLE 6

£ million

	Income							Allocation of income						
	Income arising in the United Kingdom							Dividends and interest, etc.						
	Gross trading profits				Rent and non-trading income									
	Total	After deducting stock appreciation	Stock appreciation	Total[1]	Total	*of which* from financial companies[2]	Income from abroad (net of taxes paid abroad)	Payments of dividends on ordinary shares[3]	Other	*of which* to financial companies[2]	Profits due abroad (net of UK tax)	UK taxes on income (payments)[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[6]
1971	8,621	6,244	831	7,075	520	137	1,026	1,530	1,320	792	399	1,198	4,174	*1,329*
1972	10,179	7,360	1,067	8,427	632	196	1,120	1,524	1,515	969	522	1,123	5,495	*1,586*
1973	13,922	8,144	2,546	10,690	1,044	503	2,188	1,638	2,369	1,805	626	923	8,366	*2,350*
1974	16,041	7,425	4,908	12,333	1,340	695	2,368	1,517	3,336	2,716	489	1,595	9,104	*4,012*
1975	15,429	8,058	4,107	12,165	1,330	618	1,934	1,483	3,279	2,671	434	894	9,339	*3,410*
Unadjusted														
1974 *1*	3,977	1,229	1,740	2,969	353	194	655	364	759	642	158	886	1,810	*980*
2	4,057	1,780	1,332	3,112	326	170	619	444	819	670	126	92	2,576	*1,084*
3	3,840	2,105	854	2,959	335	171	546	368	844	687	76	480	2,072	*954*
4	4,167	2,311	982	3,293	326	160	548	341	914	717	129	137	2,646	*994*
1975 *1*	3,917	1,850	1,269	3,119	320	150	478	315	826	704	117	549	2,110	*923*
2	3,712	1,975	984	2,959	302	129	451	419	801	655	127	7	2,358	*869*
3	3,560	1,842	911	2,753	338	157	469	374	783	631	75	170	2,158	*895*
4	4,240	2,391	943	3,334	370	182	536	375	869	681	115	168	2,713	*723*
1976 *1*	4,259	2,236	1,143	3,379	353	156	527	316	785	658	156	303	2,699	*893*
2	4,644	2,350	1,302	3,652	388	176	604	460	848	704	153	—122	3,305	*905*
3	4,529	2,049	1,434	3,483	419	200	627	386	918	742	152	366	2,707	*997*
Seasonally Adjusted														
1974 *1*	3,937	1,233	1,740	2,973	344	185	620	468	767	644	161	278	2,263	*938*
2	4,004	1,725	1,332	3,057	348	190	599	345	832	660	124	411	2,292	*1,063*
3	4,048	2,268	854	3,122	333	170	593	353	870	691	89	473	2,263	*1,035*
4	4,052	2,199	982	3,181	315	150	556	351	867	721	115	433	2,286	*976*
1975 *1*	3,926	1,846	1,269	3,115	313	143	498	409	834	704	116	159	2,408	*883*
2	3,680	1,937	984	2,921	321	146	438	322	816	646	128	220	2,194	*851*
3	3,733	2,000	911	2,911	338	158	484	356	810	635	85	202	2,280	*974*
4	4,090	2,275	943	3,218	358	171	514	396	819	686	105	313	2,457	*702*
1976 *1*	4,286	2,222	1,143	3,365	345	148	576	464	794	661	160	78	2,790	*858*
2	4,621	2,303	1,302	3,605	415	199	601	353	870	697	142	168	3,088	*889*
3	4,732	2,248	1,434	3,682	418	201	632	355	948	750	176	253	3,000	*1,085*

[1]Before providing for depreciation and stock appreciation.

[2]These items are included solely as a memorandum item.

[3]With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends previously shown gross of income tax appear as actual payments, while the advance corporation tax in respect of those dividends is included in United Kingdom taxes on income.

[4]The residual of all companies payments and accruals of financial companies taxes on income. The former include payments of corporation tax (including advance corporation tax from 6 April 1973) *less* increases in balance of deductions of income tax from interest payments and from wages and salaries under PAYE, over payments to the Inland Revenue. Up to 5 April 1973 the balance of deductions of income tax from dividends over payments to the Inland Revenue is also deducted. In the third quarter of 1976 the amount of advance corporation tax included was £236 million.
The seasonally adjusted series for all companies have been allocated between industrial and commercial companies and financial companies in proportion to the calendar year estimates of their accruals of taxes on income.

[5]Before providing for depreciation, stock appreciation and additions to reserves.

[6]This item is not now included in total income, but is shown in order to provide a reconciliation with the former definition of total company income as shown in *National Income and Expenditure 1965–75*.

Appropriation account of financial companies

TABLE 7

£ million

	Income						Allocation of income							
		Income arising in the United Kingdom					Dividends and interest payments etc.							
			Rent and non-trading income					Other interest payments						
	Total	Gross trading profits[1,2]	of the Banking sector	of Building societies	Other	Income from abroad (net of taxes paid abroad)	Dividends and debenture and loan interest payments[3]	by the Banking sector	by Building societies	Other	Profits due abroad (net of UK tax)	UK taxes on income[4]	Balance undistributed income[5]	Taxes paid abroad on income from abroad[6]
1971	2,582	—490	1,291	932	639	210	312	425	794	191	54	342	464	*105*
1972	3,099	—695	1,688	1,089	701	316	329	563	923	202	78	395	609	*161*
1973	5,038	—818	3,239	1,486	757	374	307	1,421	1,361	248	84	795	822	*190*
1974	6,199	—1,550	4,609	1,964	784	392	277	2,203	1,743	275	123	809	769	*164*
1975	6,417	—1,778	4,497	2,250	864	584	298	1,968	2,049	288	166	993	655	*211*
Unadjusted														
1974 *1*	1,550	—348	1,128	453	192	125	72	567	415	72	32	687	—295	*46*
2	1,524	—369	1,123	474	204	92	76	541	425	69	31	45	337	*50*
3	1,515	—393	1,159	503	192	54	73	554	438	68	27	45	310	*20*
4	1,610	—440	1,199	534	196	121	56	541	465	66	33	32	417	*48*
1975 *1*	1,589	—441	1,182	515	206	127	59	537	497	73	52	894	—523	*48*
2	1,561	—452	1,084	553	218	158	98	436	507	70	51	45	354	*56*
3	1,557	—439	1,067	578	216	135	73	462	510	72	31	30	379	*53*
4	1,710	—446	1,164	604	224	164	68	533	535	73	32	24	445	*54*
1976 *1*	1,652	—455	1,116	617	215	159	68	447	565	76	62	973	—539	*38*
2	1,781	—460	1,166	649	249	177	112	497	564	72	73	49	414	*42*
3	1,932	—470	1,311	677	226	188	56	544	570	74	68	23	597	*44*
Seasonally adjusted														
1974 *1*	1,547	—348	1,128	466	178	123	81	567	433	15	32	141	278	*46*
2	1,542	—369	1,123	474	224	90	63	541	422	112	31	209	164	*50*
3	1,531	—393	1,159	496	212	57	68	554	432	91	27	240	119	*20*
4	1,579	—440	1,199	528	170	122	65	541	456	57	33	219	208	*48*
1975 *1*	1,587	—441	1,182	516	201	129	68	537	511	18	52	176	225	*48*
2	1,583	—452	1,084	550	243	158	81	436	505	111	51	245	154	*56*
3	1,573	—439	1,067	575	235	135	71	462	505	99	31	224	181	*53*
4	1,674	—446	1,164	609	185	162	78	533	528	60	32	348	95	*54*
1976 *1*	1,653	—455	1,116	612	218	162	76	447	567	32	62	86	383	*38*
2	1,808	—460	1,166	645	282	175	92	497	565	118	73	186	277	*42*
3	1,954	—470	1,311	669	257	187	55	544	567	103	68	281	336	*44*

[1] Before providing for depreciation and stock appreciation, but the latter is negligible.

[2] This represents the contribution of financial companies to the gross domestic product. It is the difference between bank charges, commissions, etc., on the one hand and management expenses (wages and salaries and payments for current expenses) on the other.

[3] With the introduction of the imputation system of corporation tax from 6 April 1973 payments of dividends, previously shown gross of income tax, appear as actual payments, while the advance corporation tax in respect of those dividends is included in UK taxes on income.

[4] The accrual of corporation tax on taxable income including from 6 April 1973 advance corporation tax due from financial companies. The seasonally adjusted series for all companies have been allocated between financial companies and industrial and commercial companies in proportion to the calendar year estimates of their accruals of taxes on income.

[5] Before providing for depreciation, stock appreciation and additions to reserves.

[6] This item is not now included in total income, but is shown in order to provide a reconciliation with the former definition of total company income as shown in *National Income and Expenditure 1965–75*.

Appropriation account of public corporations

TABLE 8

	£ million						
	Income				Allocation of income		
	Total	Gross trading surplus[1]	Rent and non-trading income	Income from abroad	Interest payments	United Kingdom taxes on income (payments)[2]	Balance: undistributed income[3]
1971	1,706	1,520	172	14	864	8	834
1972	1,913	1,681	215	17	925	7	981
1973	2,407	2,062	324	21	1,132	8	1,267
1974	2,946	2,520	396	30	1,536	11	1,399
1975	3,363	2,898	431	34	1,841	10	1,512
Unadjusted							
1974 *1*	662	558	97	7	458	11	193
2	738[4]	642[4]	89	7	249[4]	—	489[4]
3	651	542	101	8	464	—	187
4	895	778	109	8	365	—	530
1975 *1*	825	719	98	8	566	10	249
2	738	621	109	8	317	—	421
3	631	507	115	9	542	—	89
4	1,169	1,051	109	9	416	—	753
1976 *1*	1,056	939	108	9	628	9	419
2	1 016	892	115	9	441	—	575
3	979	832	137	10	616	—	363
Seasonally adjusted							
1974 *1*	626	522	97	7	351	3	272
2	768[4]	672[4]	89	7	370[4]	3	395[4]
3	774	665	101	8	395	3	376
4	778	661	109	8	420	2	356
1975 *1*	799	693	98	8	463	2	334
2	805	688	109	8	440	3	362
3	729	605	115	9	451	2	276
4	1,030	912	109	9	487	3	540
1976 *1*	992	875	108	9	498	2	492
2	1,058	934	115	9	540	2	516
3	1,068	921	137	10	568	3	497

[1] Including from the second quarter of 1974, regional water authorities and trust parts.
[2] Before providing for depreciation and stock appreciation.
[3] Payments to Inland Revenue *less* amounts deducted from dividends and interest paid.
[4] Before providing for depreciation, stock appreciation and additions to reserves.

Current account of central government including National Insurance Funds

TABLE 9

	Receipts								
	£ million								
					Taxes on expenditure				
	Total	Gross trading surplus[1]	Rent, dividends and interest	Taxes on income[2]	Selective employment tax	Other taxes	National insurance contributions	National health contributions	Redundancy Fund contributions
1971	18,978	42	1,422	7,978	666	6,035	2,547	236	52
1972	19,941	9	1,590	8,124	449	6,436	3,048	233	52
1973	22 236	6	1,708	9,117	132	7,343[3]	3,640	237	53
1974	27,639	29	2,110	12,124	—	8,376	4,713	235	52
1975	35,664	36	2,482	16,170	—	10,153	6,286	450	87
Unadjusted									
1974 *1*	7,354	4	627	3,777	—	1,829	1,045	59	13
2	6,031	8	385	2 419	—	2,095	1.053	58	13
3	7,053	9	566	3,027	—	2,138	1,241	59	13
4	7,201	8	532	2,901	—	2,314	1,374	59	13
1975 *1*	9,127	13	683	4,814	—	2,091	1,454	59	13
2	8,164	4	517	3,467	—	2,465	1,561	126	24
3	9,154	6	719	3,963	—	2,695	1,616	130	25
4	9,219	13	563	3,926	—	2,902	1,655	135	25
1976 *1*	10,953	11	857	5,616	—	2,621	1,686	136	26
2	9,928	— 3	627	4,276	—	2,889	1,958	152	29
3	10,428	20	823	4,366	—	3,032	2,003	154	30
Seasonally adjusted									
1974 *1*	6,038	4	516	2,422	—	1,979	1,045	59	13
2	6.616	8	486	2,901	—	2,097	1,053	58	13
3	7,274	9	524	3,281	—	2,147	1,241	59	13
4	7,711	8	584	3,520	—	2,153	1,374	59	13
1975 *1*	7,956	13	588	3,565	—	2,264	1 454	59	13
2	8,618	4	604	3,827	—	2,472	1 561	126	24
3	9,358	6	664	4,202	—	2,715	1,616	130	25
4	9,732	13	626	4,576	—	2,702	1,655	135	25
1976 *1*	9,739	11	727	4,307	—	2,846	1,686	136	26
2	10,422	— 3	699	4,696	—	2,891	1,958	152	29
3	10,640	20	837	4,547	—	3,049	2,003	154	30

[1] Before providing for depreciation and stock appreciation.

[2] Tax receipts *less* tax credits.

[3] The current price estimates for the second quarter of 1973 include a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT: the rebate is also included as a deduction from taxes on expenditure and the estimate of gross domestic product at factor cost is thus not affected.

Current account of central government including National Insurance Funds

TABLE 9 *(continued)*

	Expenditure												
	£ million												
			Current expenditure on goods and services										
	Total	Total current expenditure	Total	Military defence	National health service	Other	Subsidies	National insurance benefits	Other current grants to personal sector	Debt interest	Current grants to local authorities	Current grants paid abroad	Balance: current surplus[1]
1971	18,978	16,012	6,133	2,712	1,948	1,473	820	2,926	1,686	1,384	2,858	205	2,966
1972	19,941	18,596	6,890	3,015	2,237	1,638	1,077	3,483	2.116	1,582	3,238	210	1,345
1973	22,236	21,235	7,664	3,338	2,495	1,831	1,365	3,934	2,079	1,762	4,072	359	1,001
1974	27,639	27,329	9,881	4,039	3,535	2,307	2,754	4,923	2,468	2,109	4,874	320	310
1975	35,664	37,061	13,101	5,058	4,864	3,179	3,465	6,387	3,224	2,637	7,868	379	—1,397
Unadjusted													
1974 *1*	7,354	6,403	2,238	948	718	572	649	1,094	550	581	1,185	106	951
2	6,031	6,094[2]	2,234[2]	934	798[2]	502	540	1,068	615	392	1,168[2]	77	—63[2]
3	7,053	7,190	2,595	1,073	928	594	773	1,283	615	634	1,230	60	—137
4	7,201	7,642	2,814	1,084	1,091	639	792	1,478	688	502	1,291	77	—441
1975 *1*	9,127	8,885	2,965	1,114	1,087	764	1,022	1,377	615	686	2,133	87	242
2	8,164	8,824	3,204	1,230	1,211	763	834	1,594	813	517	1,764	98	—660
3	9,154	9,693	3,375	1,308	1,267	800	789	1,639	856	805	2,154	75	—539
4	9,219	9,659	3,557	1,406	1,299	852	820	1,777	940	629	1,817	119	—440
1976 *1*	10,953	11,249	3,719	1,444	1,336	939	728	1,948	944	934	2,772	204	—296
2	9,928	10,593	3,756	1,449	1,422	885	804	1,935	1,010	676	2,250	162	—665
3	10,428	11,108	3,884	1,510	1,460	914	741	1,948	1,046	1,120	2,191	178	—680
Seasonally adjusted													
1974 *1*	6,038	6,295	2,225	948	753	524	592	1,083	607	519	1,185	84	—257
2	6,616	6,310[2]	2,275[2]	934	807[2]	534	571	1,078	618	523	1,168[2]	77	306[2]
3	7,274	7,146	2,587	1,073	907	607	818	1,295	619	527	1,230	70	128
4	7,711	7,578	2,794	1,084	1,068	642	773	1,467	624	540	1,291	89	133
1975 *1*	7,956	8,665	2,894	1,114	1,079	701	932	1,369	702	584	2,133	51	—709
2	8,618	9,042	3,246	1,230	1,209	807	876	1,604	823	633	1,764	96	—424
3	9,358	9,650	3,395	1,308	1,271	816	818	1,656	849	689	2,154	89	—292
4	9,732	9,704	3,566	1,406	1,305	855	839	1,758	850	731	1,817	143	28
1976 *1*	9,739	11,053	3,651	1,444	1,327	880	754	1,934	994	790	2,772	158	—1,314
2	10,422	10,826	3,794	1,449	1,419	926	792	1,948	1,019	853	2,250	170	—404
3	10,640	10,961	3,910	1,510	1,465	935	746	1,968	1,006	933	2,191	207	—321

[1] Before providing for depreciation and stock appreciation.

[2] The estimates from the second quarter of 1974 are affected by the transfer of certain functions between public corporations, central government and local authorities.

Current account of local authorities

TABLE 10

	Receipts					
	£ million					
				Rates		Current grants from central government
	Total	Gross trading surplus[1]	Rent, dividends and interest	Cash receipts	Accruals adjustment[2]	
1971	6,267	135	1,187	2,120	— 33	2,858
1972	7,028	131	1,282	2,442	— 65	3,238
1973	8,442	135	1,618	2,502	115	4,072
1974	9,990	94	2,056	2,958	8	4,874
1975	14,347	78	2,508	4,052	—159	7,868
Unadjusted						
1974 *1*[4]	2,346	34	456	580	91	1,185
2[4]	2,434[5]	19[5]	484[5]	704[5]	59[5]	1,168[5]
3	2,546	19	532	809	— 44	1,230
4	2,664	22	584	865	— 98	1,291
1975 *1*	3,537	18	589	714	83	2,133
2	3,412	19	604	1,063	— 38	1,764
3	3,835	20	629	985	47	2,154
4	3,563	21	686	1,290	—251	1,817
1976 *1*	4,537	20	699	804	242	2,772
2	4,146	17	732	1,212	— 65	2,250
3	4,119	16	756	1,152	4	2,191
Seasonally adjusted						
1974 *1*[4]	2,346	34	456	671		1,185
2[4]	2,443[5]	19[5]	493[5]	763[5]		1,168[5]
3	2,553	19	539	765		1,230
4	2,648	22	568	767		1,291
1975 *1*	3,525	18	577	797		2,133
2	3,424	19	616	1,025		1,764
3	3,846	20	640	1,032		2,154
4	3,552	21	675	1,039		1,817
1976 *1*	4,530	20	692	1,046		2,772
2	4,155	17	741	1,147		2,250
3	4,124	16	761	1,156		2,191

[1] Before providing for depreciation and stock appreciation.
[2] Adjustment to accruals of rates for the quarter, as included in taxes on expenditure and in the adjustment to factor cost in Table 1.
[3] Payments to Inland Revenue *less* amounts deducted from interest paid.
[4] Most of the figures for these two quarters are very much less reliable than usual because of low response to the quarterly enquiries.
[5] Figures from the second quarter of 1974 exclude water, land drainage and sewage disposal (England and Wales), health and trust ports.

Current account of local authorities

TABLE 10 *(continued)*

	Expenditure								
	£ million								
	Total	Total current expenditure	Current expenditure on goods and services		Subsidies	Current grants to personal sector	Debt interest	Taxes on income (payments)[3]	Balance: current surplus[1]
			Education	Other					
1971	6,267	5,582	2,032	2,179	95	172	1,104	—	685
1972	7,028	6,364	2,400	2,482	58	254	1,170	—	664
1973	8,442	7,745	2,745	2,994	85	432	1,489	—	697
1974	9,990	9,387	3,286	3,411	240	482	1,968	—	603
1975	14,347	13,039	5,068	4,738	441	597	2,195	—	1,308
Unadjusted									
1974 *1*[4]	2,346	2,326	740	823	23	140	557	43	20
2[4]	2,434[5]	2,088[5]	776	781[5]	43	130	345[5]	13	346[5]
3	2,546	2,339	836	838	70	115	519	−39	207
4	2,664	2,634	934	969	104	97	547	−17	30
1975 *1*	3,537	3,388	1,346	1,083	119	162	625	53	149
2	3,412	2,864	1,112	1,108	104	173	357	10	548
3	3,835	3,356	1,252	1,250	111	149	637	−43	479
4	3,563	3,431	1,358	1,297	107	113	576	−20	132
1976 *1*	4,537	3,810	1,320	1,301	95	219	819	56	727
2	4,146	3,612	1,412	1,346	111	215	500	28	534
3	4,119	3,766	1,394	1,363	111	178	772	−52	353
Seasonally adjusted									
1974 *1*[4]	2,346	2,160	733	820	23	117	467	—	186
2[4]	2,443[5]	2,144[5]	771	781[5]	43	111	438[5]	—	299[5]
3	2,553	2,375	849	845	70	120	491	—	178
4	2,648	2,708	933	965	104	134	572	—	−60
1975 *1*	3,525	3,200	1,334	1,078	119	134	535	—	325
2	3,424	2,901	1,104	1,108	104	138	447	—	523
3	3,846	3,413	1,273	1,260	111	155	614	—	433
4	3,552	3,525	1,357	1,292	107	170	599	—	27
1976 *1*	4,530	3,569	1,310	1,296	95	175	693	—	961
2	4,155	3,685	1,403	1,347	111	190	634	—	470
3	4,124	3,834	1,418	1,374	111	193	738	—	290

See footnotes on page 86

International transactions

TABLE 11

Exports and imports of goods and services revalued at 1970 prices

£ million

	Exports				Imports			
	Unadjusted		Seasonally adjusted		Unadjusted		Seasonally adjusted	
	Goods	Services	Goods	Services	Goods	Services	Goods	Services
1971	8,434	3,648	8,434	3,648	8,263	3,143	8,263	3,143
1972	8,425	3,925	8,425	3,925	9,226	3,501	9,226	3,501
1973	9,634	4,184	9,634	4,184	10,622	3,790	10,622	3,790
1974	10,290	4,509	10,290	4,509	10,724	3,766	10,724	3,766
1975	9,877	4,356	9,877	4,356	9,959	3,607	9,959	3,607
1974 *1*	2,487	1,048	2,504	1,101	2,710	882	2,655	927
2	2,680	1,139	2,649	1,151	2,752	953	2,726	958
3	2,531	1,217	2,636	1,130	2,613	1,030	2,705	955
4	2,592	1,105	2,501	1,127	2,649	901	2,638	926
1975 *1*	2,448	1,078	2,548	1,132	2,486	852	2,486	912
2	2,523	1,075	2,423	1,092	2,508	882	2,423	897
3	2,308	1,172	2,372	1,074	2,456	998	2,527	907
4	2,598	1,031	2,534	1,058	2,509	875	2,523	891
1976 *1*	2,617	1,006	2,601	1,069	2,537	841	2,460	906
2	2,730	1,066	2,710	1,072	2,717	909	2,711	924
3	2,550	1,249	2,630	1,132	2,626	1,026	2,721	936

International transactions

TABLE 11 (*continued*)

	United Kingdom credits					
	£million					
		Exports and property income from abroad				
	Total credits	Exports of goods[1]	Exports of services	Property income from abroad	United Kingdom taxes paid by non-residents	Current transfers to personal sector
1971	16,090	8,810	3,857	2,938	270	215
1972	17,283	9,141	4,137	3,518	256	231
1973	23,026	11,772	5,140	5,478	341	295
1974	30,567	15,899	6,507	7,407	399	355
1975	33,581	18,768	7,334	6,631	453	395
Unadjusted						
1974 *1*	7,031	3,462	1,448	1,912	124	85
2	7,850	4,083	1,615	1,965	102	85
3	7,658	4,028	1,785	1,688	67	90
4	8,028	4,326	1,659	1,842	106	95
1975 *1*	7,900	4,350	1,639	1,688	128	95
2	8,357	4,662	1,777	1,684	134	100
3	8,397	4,504	2,052	1,661	80	100
4	8,927	5,252	1,866	1,598	111	100
1976 *1*	9,383	5,457	1,918	1,738	165	105
2	10,354	6,039	2,179	1,860	171	105
3	10,801	5,931	2,622	1,977	166	105
Seasonally adjusted						
1974 *1*	7,048	3,481	1,519	1,837	126	85
2	7,744	4,008	1,636	1,914	101	85
3	7,868	4,223	1,656	1,823	76	90
4	7,907	4,187	1,696	1,833	96	95
1975 *1*	8,156	4,531	1,726	1,677	127	95
2	8,162	4,479	1,809	1,639	135	100
3	8,460	4,632	1,880	1,760	88	100
4	8,803	5,126	1,919	1,555	103	100
1976 *1*	9,494	5,419	2,042	1,760	168	105
2	10,277	5,992	2,191	1,827	162	105
3	10,869	6,121	2,386	2,073	184	105

[1] On a balance of payments basis.

International transactions

TABLE 11 (*continued*)

United Kingdom debits

£ million

	Total[1]	Total debits[1]	Imports and property income paid abroad				Current transfers		Balance: net investment and capital transfers abroad[3]
			Imports of goods[2]	Imports of services	Property income paid abroad	Foreign taxes paid by United Kingdom residents	From personal sector	From central government[1]	
1971	16,090	15,006	8,530	3,335	1,248	1,460	228	205	1,084
1972	17,283	17,129	9,843	3,565	1,446	1,777	288	210	154
1973	23,026	23,738	14,106	4,451	1,856	2,580	386	359	— 712
1974	30,567	33,890	21,119	5,596	2,184	4,230	441	320	—3,323
1975	33,581	35,237	21,972	6,275	2,459	3,676	476	379	—1,656
Unadjusted									
1974 *1*	7,031	7,952	4,866	1,255	583	1,038	104	106	— 921
2	7,850	8,654	5,418	1,384	526	1,149	100	77	— 804
3	7,658	8,464	5,281	1,558	469	987	109	60	— 806
4	8,028	8,820	5,554	1,399	606	1,056	128	77	— 792
1975 *1*	7,900	8,568	5,390	1,355	650	983	103	87	— 668
2	8,357	8,690	5,343	1,513	669	939	128	98	— 333
3	8,397	8 937	5,460	1,805	517	962	118	75	— 540
4	8,927	9,042	5,779	1,602	623	792	127	119	— 115
1976 *1*	9,383	9,644	6,087	1,545	725	944	139	204	— 261
2	10,354	10,835	7,013	1,785	799	962	114	162	— 481
3	10,801	11,309	7,070	2,124	771	1,055	111	178	— 508
Seasonally adjusted									
1974 *1*	7,048	7,866	4,769	1,326	587	996	104	84	— 818
2	7,744	8,594	5,363	1,389	537	1,128	100	77	— 850
3	7,868	8,624	5,465	1,420	492	1,068	109	70	— 756
4	7,907	8,806	5,522	1,461	568	1,038	128	89	— 899
1975 *1*	8,156	8,605	5,383	1,480	645	943	103	51	— 449
2	8,162	8,519	5,160	1,543	671	921	128	96	— 357
3	8,460	9,015	5,621	1,599	547	1,041	118	89	— 555
4	8,803	9,098	5,808	1,653	596	771	127	143	— 295
1976 *1*	9 494	9,527	5,897	1,686	738	909	139	158	— 33
2	10,277	10,810	6,996	1,816	768	946	114	170	— 533
3	10,869	11,506	7,327	1,888	830	1,143	111	207	— 637

[1] From the beginning of 1973 net of receipts from the EEC.
[2] On a balance of payments basis.
[3] Equal to the current balance in the balance of payments accounts.

Summary capital account

Receipts

TABLE 12

£ million

	Saving[1]					Capital transfers (net)				
	Total	Total	Personal sector	Companies	Public corporations	Public authorities	Personal sector	Companies	Public corporations[2]	Public authorities[2]	Residual error
1971	12,793	12,412	3,289	4,638	834	3,651	—324	492	84	—252	381
1972	13,226	13,607	4,513	6,104	981	2,009	—371	319	122	— 70	—381
1973	17,720	18,063	5,910	9,188	1,267	1,698	—321	271	149	—158	—284
1974	20,470	20,653	8,468	9,873	1,399	913	—313	267	229	—258	—108
1975	22,708	21,778	10,361	9,994	1,512	— 89	—371	387	347	—363	930
Unadjusted											
1974 *1*	4,869	4,930	2,251	1,515	193	971	— 95	49	52	— 6	— 61
2	5,198	5,404	1,719	2,913	489	283	— 79	71	32	— 53	—177
3	5,154	4,949	2,310	2,382	187	70	— 70	74	36	— 80	245
4	5,249	5,370	2,188	3,063	530	—411	— 69	73	109	—119	—115
1975 *1*	5,245	5,469	3,242	1,587	249	391	— 98	114	91	—107	—224
2	5,275	5,305	2,284	2,712	421	—112	— 94	64	42	— 12	— 30
3	5,647	5,279	2,713	2,537	89	— 60	— 91	108	91	—108	368
4	6,541	5,725	2,122	3,158	753	—308	— 88	101	123	—136	816
1976 *1*	6,533	6,326	3,316	2,160	419	431	—110	32	166	— 88	207
2	6,277	6,611	2,448	3,719	575	—131	—104	75	122	— 93	—334
3	7,314	6,269	2,929	3,304	363	—327	—107	70	157	—120	1,045
Seasonally adjusted											
1974 *1*	5,101	4,560	1,818	2,541	272	— 71	— 95	77	52	— 34	541
2	5,256	5,268	1,812	2,456	395	605	— 74	65	32	— 52	17
3	5,124	5,295	2,231	2,382	376	306	— 75	59	36	— 60	—131
4	4,989	5,530	2,607	2,494	356	73	— 69	66	109	—112	—535
1975 *1*	5,577	5,256	2,673	2,633	334	—384	—102	165	91	—154	321
2	5,400	5,260	2,451	2,348	362	99	— 90	56	42	— 8	140
3	5,533	5,523	2,645	2,461	276	141	— 93	83	91	— 81	10
4	6,198	5,739	2,592	2,552	540	55	— 86	83	123	—120	459
1976 *1*	6,817	5,945	2,633	3,173	492	—353	—117	72	166	—121	872
2	6,410	6,656	2,709	3,365	516	66	— 99	73	122	— 96	—246
3	7,123	6,505	2,703	3,336	497	— 31	—108	49	157	— 98	618

[1] Before providing for depreciation, stock appreciation, and additions to reserves.
[2] Excluding financial transactions on the writing-off of debt.

Summary capital account

Payments

TABLE 12 (*continued*)

£ million

	Gross capital formation[1]						Balance: net investment abroad[2]	Net acquisition of financial assets[3]			
	Total	Total	Personal sector	Companies	Public corporations	Public authorities		Personal sector	Companies	Public corporations	Public authorities
1971	12,793	11,709	2,165	4,916	2,015	2,613	1,084	800	214	—1,097	786
1972	13,226	13,072	2,796	5,516	1,855	2,905	154	1,346	907	— 752	— 966
1973	17,720	18,491	3,099	9,513	2,220	3,659	— 771	2,490	— 54	— 804	—2,119
1974	20,470	23,868	2,952	13,340	3,218	4,358	—3,398	5,203	—3,200	—1,590	—3,703
1975	22,708	24,364	3,707	10,970	4,737	4,950	—1,656	6,283	— 589	—2,878	—5,402
Unadjusted											
1974 *1*	4,869	5,790	722	3,167	587	1,314	— 921	1,434	—1,603	— 342	— 349
2	5,198	6,031	800	3,597	827	807	— 833	840	— 613	— 306	— 577
3	5,154	6,000	683	3,410	779	1,128	— 846	1,557	— 954	— 556	—1,138
4	5,249	6,047	747	3,166	1,025	1,109	— 798	1,372	— 30	— 386	—1,639
1975 *1*	5,245	5,913	768	2,540	1,243	1,362	— 668	2,376	— 839	— 903	—1,078
2	5,275	5,608	947	2,532	1,045	1,084	— 333	1,243	244	— 582	—1,208
3	5,647	6,187	936	2,893	1,185	1,173	— 540	1,686	— 248	—1,005	—1,341
4	6,541	6,656	1,056	3,005	1,264	1,331	— 115	978	254	— 388	—1,775
1976 *1*	6,533	6,794	993	2,869	1,322	1,610	— 261	2,213	— 677	— 737	—1,267
2	6,277	6,758	1,124	3,157	1,302	1,175	— 481	1,220	637	— 605	—1,399
3	7,314	7,822	1,204	3,957	1,399	1,262	— 508	1,618	— 583	— 879	—1,709
Seasonally adjusted											
1974 *1*	5,101	5,919	750	3,396	574	1,199	— 818	973	— 778	— 250	—1,304
2	5,256	6,135	754	3,663	825	893	— 879	984	—1,142	— 398	— 340
3	5,124	5,920	697	3,329	760	1,134	— 796	1,459	— 888	— 348	— 888
4	4,989	5,894	751	2,952	1,059	1,132	— 905	1,787	— 392	— 594	—1,171
1975 *1*	5,577	6,026	799	2,781	1,211	1,235	— 449	1,772	17	— 786	—1,773
2	5,400	5,757	883	2,622	1,056	1,196	— 357	1,478	— 218	— 652	—1,105
3	5,533	6,088	965	2,791	1,165	1,167	— 555	1,587	— 247	— 798	—1,107
4	6,198	6,493	1,060	2,776	1,305	1,352	— 295	1,446	— 141	— 642	—1,417
1976 *1*	6,817	6,850	1,024	3,114	1,272	1,440	— 33	1,492	131	— 614	—1,914
2	6,410	6,943	1,061	3,239	1,339	1,304	— 533	1,549	199	— 701	—1,334
3	7,123	7,760	1,239	3,869	1,389	1,263	— 637	1,356	— 484	— 735	—1,392

[1] Gross fixed capital formation *plus* the increase in book value of stocks and work in progress.
[2] Equals, apart from the change in sign, the net acquisition of financial assets by the overseas sector.
[3] This balance is equal to saving *plus* capital transfers *less* gross capital formation.

Consumers' expenditure

TABLE 13

£ million

	Total	Food (household expenditure)	Alcoholic drink: Beer	Alcoholic drink: Wines spirits, etc.	Tobacco	Housing	Fuel and light	Clothing: Footwear	Clothing: Other	Durable goods: Total	Durable goods: Cars and motor cycles	Durable goods: Furniture and floor coverings	Durable goods: Radio and electrical goods, etc.	Other goods	Other services
At current prices															
1971	35,165	6,976	1,526	1,067	1,691	4,611	1,618	489	2,507	3,121	1,438	819	864	5,309	6,250
1972	39,716	7,434	1,662	1,248	1,808	5,343	1,798	554	2,840	3,841	1,783	962	1,096	6,099	7,089
1973	45,044	8,440	1,807	1,608	1,945	6,216	1,898	630	3,277	4,170	1,824	1,084	1,262	6,938	8,115
1974	51,832	9,869	2,071	1,855	2,239	7,429	2,274	729	3,844	4,016	1,533	1,154	1,329	8,436	9,070
1975	63,373	12,092	2,679	2,223	2,741	9,201	2,927	852	4,468	4,858	1,932	1,387	1,539	10,338	10,994
1974 *1*	11,334	2,274	426	328	468	1,680	628	140	751	917	353	261	303	1,762	1,960
2	12,483	2,396	521	396	576	1,876	449	176	885	942	424	250	268	2,012	2,254
3	13,317	2,486	562	404	596	1,911	444	187	938	1,041	428	286	327	2,182	2,566
4	14,698	2,713	562	727	599	1,962	753	226	1,270	1,116	328	357	431	2,480	2,290
1975 *1*	13,925	2,746	523	355	573	2,062	846	177	940	1,166	476	323	367	2,245	2,292
2	15,463	2,932	631	503	685	2,343	613	211	1,064	1,233	537	318	378	2,520	2,728
3	16,266	3,087	769	517	736	2,373	530	213	1,061	1,262	583	337	342	2,647	3,071
4	17,719	3,327	756	848	747	2,423	938	251	1,403	1,197	336	409	452	2,926	2,903
1976 *1*	16,701	3,287	608	432	667	2,557	1,126	188	1,019	1,412	642	373	397	2,594	2,811
2	17,797	3,381	820	566	790	2,764	705	239	1,168	1,344	653	344	347	2,843	3,177
3	18,725	3,524	942	591	822	2,771	620	247	1,199	1,482	670	384	428	3,010	3,517
Revalued at 1970 prices															
1971	32,505	6,374	1,419	1,035	1,658	4,205	1,480	460	2,346	2,896	1,329	751	816	4,927	5,705
1972	34,402	6,342	1,464	1,177	1,748	4,308	1,534	478	2,497	3,458	1,594	835	1,029	5,398	5,998
1973	35,935	6,397	1,549	1,440	1,859	4,414	1,574	494	2,635	3,600	1,538	840	1,222	5,805	6,168
1974	35,612	6,431	1,551	1,534	1,835	4,463	1,616	499	2,605	3,042	1,110	738	1,194	5,878	6 158
1975	35,374	6,418	1,609	1,482	1,746	4,493	1,595	512	2,649	2,964	1,100	748	1,116	5,770	6,136
Unadjusted															
1974 *1*	8,349	1,556	349	280	440	1,104	487	101	550	748	278	181	289	1,336	1,398
2	8,708	1,610	390	324	470	1,143[1]	332	122	613	723	314	163	246	1,420	1,561
3	8,960	1,615	413	332	463	1,116	302	126	629	774	301	179	294	1,490	1,700
4	9,595	1,650	399	598	462	1,100	495	150	813	797	217	215	365	1,632	1,499
1975 *1*	8,511	1 568	353	272	430	1,126	531	112	581	776	290	187	299	1,333	1,429
2	8,748	1,578	385	345	446	1,148	338	128	643	764	310	174	280	1,412	1,561
3	8,780	1,603	447	329	434	1,121	265	126	621	735	320	179	236	1,445	1,654
4	9,335	1,669	424	536	436	1,098	461	146	804	689	180	208	301	1,580	1,492
1976 *1*	8,402	1,572	325	269	385	1,127	538	106	570	787	333	188	266	1,338	1,385
2	8,704	1,595	414	336	454	1,154	314	132	638	736	326	168	242	1,420	1,511
3	8,924	1,620	466	346	435	1,136	260	132	642	801	319	185	297	1,469	1,617
Seasonally adjusted															
1974 *1*	8,853	1,579	400	396	470	1,106	379	124	645	755	271	189	295	1,467	1,532
2	8,814	1,615	385	367	453	1,115[1]	395	122	630	734	272	177	285	1,457	1,541
3	8,956	1,633	376	369	453	1,115	420	127	670	779	293	182	304	1,471	1,543
4	8,989	1,604	390	402	459	1,127	422	126	660	774	274	190	310	1,483	1,542
1975 *1*	8,989	1,592	403	382	458	1,128	419	136	676	780	280	196	304	1,463	1,552
2	8,851	1,583	381	384	430	1,121	403	128	660	772	268	188	316	1,448	1,541
3	8,776	1,620	409	360	426	1,121	383	127	662	736	312	181	243	1,424	1,508
4	8,758	1,623	416	356	432	1,123	390	121	651	676	240	183	253	1,435	1,535
1976 *1*	8,876	1,600	372	379	411	1,129	421	130	664	791	324	196	271	1,468	1,511
2	8,812	1,606	410	377	439	1,128	375	132	656	742	282	182	278	1,455	1,492
3	8,928	1,636	426	382	427	1,136	372	133	686	803	308	188	307	1,449	1,478

[1] From the second quarter of 1974 the estimates are affected by the re-organisation of local government and the creation of Regional Water Authorities.

Gross domestic fixed capital formation by sector and by type of asset

TABLE 14

£ million

	Total	Private sector[1]	Public sector[1]			Vehicles ships and aircraft	Plant and machinery	Dwellings		Other new building and works[2]
			Total	Public authorities	Public corporations			Private	Public	
At current prices										
1971	10,515	6,091	4,424	2,562	1,862	1,107	3,938	1,100	798	3,572
1972	11,680	7,028	4,652	2,878	1,774	1,363	4,007	1,446	829	4,035
1973	14,148	8,452	5,696	3,625	2,071	1,633	4,854	1,685	1,014	4,962
1974	16,633	9,455	7,178	4,331	2,847	1,716	5,664	1,697	1,470	6,086
1975	20,510	11,697	8,813	4,914	3,899	1,924	6,652	2,200	1,884	7,850
1974 *1*	4,075	2,140	1,935	1,310[3]	625	363	1,373	426	354[3]	1,559
2	3,716	2,281	1,435	801[3,4]	634[4]	409	1,266	411	293[3]	1,337
3	4,126	2,334	1,792	1,127	665	417	1,373	376	415	1,545
4	4,716	2,700	2,016	1,093	923	527	1,652	484	408	1,645
1975 *1*	4,952	2,574	2,378	1,366	1,012	489	1,614	499	485	1,865
2	4,714	2,828	1,886	1,080	806	451	1,539	557	433	1,734
3	5,310	3,157	2,153	1,152	1,001	451	1,729	545	424	2,161
4	5,534	3,138	2,396	1,316	1,080	533	1,770	599	542	2,090
1976 *1*	5,749	2,852	2,897	1,594	1,303	566	1,885	579	609	2,110
2	5,224	3,064	2,160	1,145	1,015	495	1,729	601	504	1,895
3	5,873	3,498	2,375	1,242	1,133	532	1,938	658	546	2,199
Revalued at 1970 prices										
1971	9,681	5,595	4,086	2,388	1,698	1,013	3,599	1,007	747	3,315
1972	9,870	5,915	3,955	2,449	1,506	1,166	3,442	1,160	712	3,390
1973	10,279	6,222	4,057	2,501	1,556	1,279	3,868	1,040	710	3,382
1974	10,087	5,935	4,152	2,416	1,736	1,159	3,888	873	821	3,346
1975	9,967	5,769	4,198	2,287	1,911	1,029	3,640	950	859	3,489
Unadjusted										
1974 *1*	2,668	1,456	1,212	789[3]	423	267	1,021	231	216[3]	933
2	2,323	1,468	855	455[3,4]	400[4]	288	899	214	169[3]	753
3	2,437	1,437	1,000	609	391	274	919	191	225	828
4	2,659	1,574	1,085	563	522	330	1,049	237	211	832
1975 *1*	2,612	1,387	1,225	679	546	288	963	229	237	895
2	2,344	1,425	919	511	408	249	863	244	201	787
3	2,500	1,503	997	522	475	232	919	230	188	931
4	2,511	1,454	1,057	575	482	260	895	247	233	876
1976 *1*	2,522	1,276	1,246	680	566	261	912	235	253	861
2	2,227	1,320	907	477	430	222	801	236	208	760
3	2,394	1,434	960	501	459	231	859	244	217	843
Seasonally adjusted										
1974 *1*	2,594	1,496	1,098	721[3]	377	276	979	234	209[3]	896
2	2,436	1,497	939	506[3,4]	433[4]	288	965	211	178[3]	794
3	2,476	1,465	1,011	613	398	288	932	196	220	840
4	2,581	1,477	1,104	576	528	307	1,012	232	214	816
1975 *1*	2,533	1,418	1,115	616	499	297	914	231	227	864
2	2,460	1,453	1,007	565	442	250	931	241	212	826
3	2,528[5]	1,526[5]	1,002	521	481	241	928	237	184	938[5]
4	2,446	1,372	1,074	585	489	241	867	241	236	861
1976 *1*	2,427	1,301	1,126	607	519	263	855	236	241	832
2	2,343	1,343	1,000	531	469	225	869	233	222	794
3	2,436[5]	1,468[5]	968	501	467	243	877	252	210	854[5]

[1] Including purchases *less* sales of land and existing buildings.
[2] Including transfer costs of land and buildings.
[3] The figures for these two quarters are very much less reliable than usual because of low response to the quarterly enquiries.
[4] The estimates from the second quarter 1974 are affected by the transfer of certain functions between public corporations, central government and local authorities.
[5] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.

Gross domestic fixed capital formation by industry group

TABLE 15

£ million

	Total	Mining and quarrying[1]	Manufacturing[2]	Gas, electricity and water	Transport and communication	Distributive trades[2]	Other industries[3]	Dwellings	Public services	Transfer costs of land and buildings
At current prices										
1971	10,515	167	2,187	789	1,329	560	1,624	1,898	1,638	323
1972	11,680	217	2,044	718	1,532	682	1,843	2,275	1,916	453
1973	14,148	293	2,437	769	1,866	812	2,428	2,699	2,279	565
1974	16,633	746	3,145	944	1,922	873	2,828	3,167	2,513	495
1975	20,510	1,907	3,449	1,179	2,258	953	3,083	4,084	2,972	625
1974 *1*	4,075	135	711	251	426	195	708	780	749	120
2	3,716	164	705	194	449	198	686	704	506	110
3	4,126	205	795	227	430	215	692	791	646	125
4	4,716	242	934	272	617	265	742	892	612	140
1975 *1*	4,952	363	842	307	580	206	760	984	779	131
2	4,714	387	815	250	504	223	754	990	633	158
3	5,310	704	852	295	555	245	758	969	761	171
4	5,534	453	940	327	619	279	811	1,141	799	165
1976 *1*	5,749	448	907	390	609	259	794	1,188	1,002	152
2	5,224	508	892	257	516	276	794	1,105	706	170
3	5,873	779	982	301	569	264	819	1,204	763	192
Revalued at 1970 prices										
1971	9,681	152	1,991	721	1,222	520	1,512	1,754	1,526	283
1972	9,870	181	1,738	608	1,305	599	1,601	1,872	1,650	316
1973	10,279	211	1,872	582	1,418	657	1,859	1,750	1,637	293
1974	10,087	407	2,024	581	1,240	605	1,836	1,694	1,467	233
1975	9,967	804	1,737	573	1,201	533	1,619	1,809	1,409	282
Unadjusted										
1974 *1*	2,668	85	502	171	293	150	488	447	475	57
2	2,323	95	475	123	298	140	457	383	301	51
3	2,437	107	498	133	275	144	441	416	364	59
4	2,659	120	549	154	374	171	450	448	327	66
1975 *1*	2,612	168	468	163	335	123	430	466	397	62
2	2,344	168	420	124	279	128	402	445	306	72
3	2,500	286	413	140	290	133	393	418	351	76
4	2,511	182	436	146	297	149	394	480	355	72
1976 *1*	2,522	178	405	170	278	134	369	488	435	65
2	2,227	193	381	109	231	137	362	444	299	71
3	2,394	283	405	121	250	127	360	461	311	76
Seasonally adjusted										
1974 *1*	2,594	83	510	147	295	152	481	443	423	60
2	2,436	97	502	141	310	148	461	389	336	52
3	2,476	108	501	137	282	148	454	416	373	57
4	2,581	119	511	156	353	157	440	446	335	64
1975 *1*	2,533	163	471	139	336	130	417	458	353	66
2	2,460	172	444	139	294	134	410	453	341	73
3	2,528[4]	288[4]	416	143	293	134	406	421	353	74
4	2,446	181	406	152	278	135	386	477	362	69
1976 *1*	2,427	171	403	148	279	139	358	477	383	69
2	2,343	198	408	122	244	145	366	455	333	72
3	2,436[4]	287[4]	410	128	256	129	373	462	317	74

[1] Includes North Sea Oil and Gas which is not adjusted for seasonality at 1970 prices.
[2] Further details are given in the *Monthly Digest of Statistics*.
[3] Covers agriculture, forestry, fishing, construction and other service industries.
[4] Including approximately £100 million extra capital formation in imported oil platforms and related equipment delivered during the summer but not adjusted for seasonality.

Value of physical increase in stocks and work in progress

TABLE 16

£ million

	At current prices					Revalued at 1970 prices									
						Unadjusted					Seasonally adjusted				
			Distributive trades					Distributive trades					Distributive trades		
	Total	Manufacturing[1]	Retail	Wholesale	Other industries	Total	Manufacturing	Retail	Wholesale	Other industries	Total	Manufacturing[1]	Retail	Wholesale	Other industries
Book value of stocks and work in progress at end–December															
1975	35,484	21,288	3,423	3,629	7,144	18,209	10,400	1,976	1,807	4,026	18,209	10,400	1,976	1,807	4,026
1971	118	— 163	25	54	202	99	— 148	22	52	173	99	— 148	22	52	173
1972	57	— 156	17	58	138	39	— 145	15	48	121	39	— 145	15	48	121
1973	1,163	458	246	126	333	1,127	404	382	102	239	1,127	404	382	102	239
1974	1,144	1,097	—146	189	4	604	666	—111	81	— 32	604	666	—111	81	— 32
1975	—1,349	— 829	— 23	—278	—219	— 699	— 392	— 23	—111	—173	— 699	— 392	— 23	—111	—173
1974 *1*	— 346	— 35	— 71	— 53	—187	— 237	— 43	— 58	— 15	—121	— 105	— 21	— 38	22	— 68
2	648	304	30	120	194	373	197	23	38	115	321	197	19	47	58
3	782	640	— 61	84	119	394	339	— 45	46	54	330	357	— 39	2	10
4	60	188	— 44	38	—122	74	173	— 31	12	— 80	58	133	— 53	10	— 32
1975 *1*	— 674	— 166	— 94	—159	—255	— 279	— 13	— 62	— 66	—138	— 126	17	— 38	— 23	— 82
2	— 356	— 184	— 98	—124	50	— 211	— 105	— 61	— 58	13	— 269	— 105	— 66	— 52	— 46
3	— 258	— 494	56	33	147	— 149	— 247	34	11	53	— 214	— 234	38	— 29	11
4	— 61	15	113	— 28	—161	— 60	— 27	66	2	—101	— 90	— 70	43	— 7	— 56
1976 *1*	— 393	— 78	— 28	— 62	—225	— 121	— 1	— 16	— 19	— 85	38	31	12	23	— 28
2	— 93	— 246	— 91	— 59	303	— 63	— 114	— 50	— 29	130	— 118	— 115	— 55	— 22	74
3	218	111	56	105	— 54	44	— 8	30	42	— 20	— 30	5	22	3	— 60

[1] Further details are given in the *Monthly Digest of Statistics*.

[2] The second quarter of 1973 includes a fall in the book value of stocks of £280 million reflecting tax rebated on the introduction of VAT. The rebate has been allocated at current prices as follows:

	£ million		£ million
Manufacturers	34	Retailers	181
Wholesalers	36	Other industries	29

This allocation is to some extent arbitrary, and therefore should be regarded as approximate.

A review of the effects of taxes and benefits on household incomes 1961-1975

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Introduction

Over the period public expenditure rose from £10,310 million in 1961 to £54,470 million in 1975, equivalent to a rise from 42·6 per cent to 58·5 per cent of gross domestic product (GDP) at factor cost[2]. In real terms public expenditure nearly doubled over a period when GDP rose by 40 per cent. Similar trends can be seen in most industrialised countries over this period.[3] It is not surprising that these changes have had a far-reaching effect on the incomes of households, both through the amounts of benefits received and levels of taxes paid. The purpose of this article is to highlight how these changes in public expenditure and in the sources used to finance them have affected the incomes of different types of households; in the first part the main changes in the overall composition of public sector receipts and public expenditure will be set out, although no explanation of the trends will be attempted. The second section will look at the effect of the changes on certain types of households, and at some of the reasons lying behind the changes.

Changes in public expenditure and receipts

In general, expenditure on items of direct benefit to households in the United Kingdom has tended to rise more quickly than the overall rise in public expenditure; in particular current expenditure on social and environmental services and protective services (police, courts, prisons, fire service) has increased from 39·8 per cent of public expenditure in 1961 to 49·2 per cent in 1975. Some areas of this social spending have been subject to greater increases than others; thus expenditure on housing subsidies, personal social services, education, and protective services have all increased their share of GDP considerably since 1961 (see Table A).

The amounts spent on national insurance and supplementary benefits also rose during the 1960's, although since 1972 this category has tended to decrease as a proportion of total public expenditure.

Whereas expenditure on health services constituted approximately the same proportion of public expenditure in 1975 as in 1961, expenditure on education was one of the faster growing areas of public spending, increasing its share from 7·7 per cent at the beginning of the period to 10·9 per cent by the end. Expenditure on other services also showed marked increases, especially on local authority housing and miscellaneous services.

Capital expenditure on these social, environmental and protective services also increased over the period, with the result that a far greater proportion of public expenditure was being spent in 1975 on services which could be said to improve directly the general standard of living of the nation than at the beginning of the 1960's. This change has come about primarily at the expense of expenditure on defence though the category of debt interest also decreased as a proportion of the total over the period.

In the financing of public expenditure the most marked change has been the growth of the Public sector borrowing requirement (PSBR) over the period as a whole. The increase has been particularly sharp since 1969. The relative role of total tax receipts has correspondingly diminished comparing 1961 with 1975. At its peak in 1970 total taxation contributed 88 per cent of public sector receipts; by 1975 this had fallen to 70 per cent (see Table B).

Over the period as a whole, personal taxes (income tax and surtax) have fallen in their contribution to public sector receipts, though within total taxation there have also been other shifts in the relative importance of the main categories of tax. Two personal taxes have maintained a roughly constant proportion of total taxation despite the fact that corporation tax replaced some taxes on other forms of income (including profits) in 1966 which reduced revenue from income tax. In contrast, taxes on goods and services have declined over the period in terms of their relative contribution to both public sector receipts and total taxation. However, the trend is not regular. The relative importance of taxes on expenditure reached a peak in 1969 and declined significantly in the following six years.

The changes in the relative contributions of these taxes to total public sector receipts provide little guide to changes in the tax burden of households since public expenditures, and therefore public receipts, have been growing at a faster rate than GDP. Comparing 1975 with 1961, taxes on goods and services have stayed at 15 per cent of GDP with a peak of 19·7 per cent in 1969. Personal taxation has risen from 11·4 per cent of GDP in 1961 to 14·9 per cent in 1975. Two changes in the tax system which have contributed to the trends shown in Table B have been the change over to corporation tax and selective employment tax (SET) in 1966 and the reduction of SET prior to its with-drawal in 1973.

These changing patterns of taxation and public expenditure are likely to affect different types of households in different ways, and it is therefore necessary to look more

[1] The author would like to acknowledge the assistance received from colleagues within and outside the Central Statistical Office.

[2] Public expenditure is as defined in the Blue Book *National Income and Expenditure 1965-1975* (*HMSO 1976*). On the definition used in the forthcoming White Paper on Public Expenditure the appropriate ratios would be 38·2 per cent and 51·8 per cent of GDP at factor cost. Excluding transfer payments and loans, public expenditure rose from 26·5 per cent to 34·6 per cent of GDP at factor cost.

[3] See *National Accounts of OECD Countries 1974* Volume I, (*OECD*) 1976.

Proportions of public expenditure on selected services 1961-1975

TABLE A

Proportion of public expenditure on selected services (*Percentages*)	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	Actual expenditure £ million 1961	1975
Allocated benefits:*																	
Benefits in cash	15·0	15·0	16·2	15·6	16·2	16·1	16·0	16·9	17·4	17·2	17·0	18·0	16·5	15·6	15·7	1,540	8,570
Housing subsidies	1·3	1·2	1·1	1·1	1·2	1·2	1·2	1·2	1·3	1·4	1·4	1·4	1·8	2·3	2·4	130	1,310
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	0·8	1·2	—	630
Health services	8·4	8·1	8·1	8·1	8·1	8·2	7·7	7·6	7·7	8·0	8·2	8·5	8·1	8·4	8·8	860	4,810
Education	7·7	8·3	8·6	8·6	8·8	9·1	8·7	8·8	9·1	9·4	9·8	10·3	10·1	9·4	10·9	800	5,960
School meals	0·9	0·9	0·9	0·9	0·9	0·9	0·9	0·7	0·7	0·7	0·6	0·6	0·6	0·6	0·7	90	390
Total	33·2	33·4	34·9	34·2	35·3	35·6	34·4	35·3	36·3	36·7	37·0	38·8	37·1	37·3	39·8	3,430	21,670
Other current expenditure on social environmental and protective services:																	
Personal social services†	0·6	0·6	0·6	0·6	0·6	0·7	0·7	0·7	1·0	1·1	1·2	1·3	1·5	1·6	1·8	60	960
Other social services	1·4	1·4	1·4	1·5	1·4	1·6	1·8	1·9	2·2	2·3	2·1	1·9	1·7	1·5	1·5	140	800
Environmental services	2·5	2·7	2·7	2·7	2·8	3·0	3·0	3·0	3·1	3·2	3·3	3·3	3·8	3·1	3·3	260	1,820
Protective services	2·2	2·1	2·2	2·2	2·2	2·2	2·3	2·3	2·5	2·7	2·8	2·8	2·8	2·7	2·9	220	1,560
Total	6·6	6·8	7·0	7·0	7·0	7·5	7·8	7·9	8·8	9·3	9·3	9·4	9·7	8·9	9·4	680	5,140
Capital expenditure on social, environmental and protective services:	8·0	8·1	8·5	10·2	10·4	9·9	10·0	9·6	9·3	9·2	8·9	9·4	10·9	12·1	9·4	830	5,110
Current expenditure on defence:	18·1	18·1	17·6	16·9	16·3	15·6	14·8	13·7	12·6	12·2	12·3	12·1	11·7	10·7	10·2	1,860	5,570
Other current expenditure:	9·9	10·1	9·1	8·0	7·8	7·5	8·4	8·5	8·2	8·0	8·1	8·9	8·5	9·4	9·2	1,020	5,020
Capital expenditure by public corporations:	9·1	8·6	8·6	9·4	9·4	10·1	10·2	9·2	7·8	8·3	8·6	6·9	7·2	8·1	9·2	940	5,010
Other capital expenditure:	2·8	3·6	3·8	3·7	3·6	3·7	4·6	5·9	6·6	6·4	6·7	5·6	5·8	4·4	4·5	290	2,440
Debt interest	12·2	11·4	11·0	10·6	10·3	10·1	9·8	10·0	10·4	9·8	9·1	8·8	9·1	9·2	8·3	1,260	4,510
Total expenditure	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	10,310	54,470
Actual total public expenditure £million	10,310	11,010	11,666	12,760	14,180	15,217	17,520	19,110	19,780	21,870	24,330	27,380	32,320	41,930	54,470		
Gross domestic product at factor cost (£million)	24,220	25,280	26,887	29,260	31,220	33,105	34,926	37,460	39,480	43,490	49,070	54,970	63,450	73,510	,93,150		

Sources: National Income and Expenditure Blue Books, 1968 to 1965–75

* Allocated benefits comprises those items of public expenditure which have been allocated to households in the annual redistribution of income analysis.

† This heading comprises local welfare services and child care services, together with from April 1969, certain services transferred from the national health service.

Sources of public sector receipts 1961-1975

TABLE B

Sources of public sector receipts (*Percentages*)	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	Actual receipts £ million 1961	1975
Allocated taxes:*																	
Direct: Income and surtax	26·8	27·9	25·7	24·5	25·2	28·2	22·5	22·9	25·3	26·4	26·6	24·5	22·5	22·1	25·5	2,760	13,910
Employees' contributions	5·0	5·3	5·4	5·5	5·6	5·3	4·9	5·1	5·1	5·4	5·2	5·5	5·3	4·8	4·8	520	2,590
Self-employed contributions	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·5	0·3	50	190
Total	32·3	33·7	31·6	30·4	31·2	34·1	27·9	28·5	30·9	32·4	32·3	30·4	28·3	27·4	30·6	3,330	16,690
Indirect: On goods and services	29·3	29·4	28·9	28·6	28·9	28·9	27·4	28·0	30·1	29·0	27·6	26·3	25·1	20·8	19·8	3,020	10,790
Employers' contributions	2·1	2·1	2·2	2·2	2·5	2·5	2·3	2·5	2·5	2·5	2·5	2·7	2·5	2·7	3·0	210	1,660
Total taxes allocated	63·6	65·2	62·7	61·2	62·6	65·5	57·6	59·1	63·5	64·0	62·3	59·4	55·9	50·9	53·5	6,560	29,140
Unallocated taxes:†																	
Current: Profits/corporation tax	3·1	3·4	3·3	3·2	3·3	0·8	6·5	6·6	6·7	7·5	6·2	5·2	5·7	6·8	4·1	320	2,260
Indirect taxes	8·8	8·7	8·6	9·3	9·6	9·8	10·0	10·8	12·4	13·1	12·1	11·1	10·0	10·2	10·4	900	5,640
Capital	2·5	2·4	2·6	2·4	2·1	2·1	1·9	2·3	3·2	3·1	2·7	2·8	2·5	2·0	1·5	260	830
Total taxes not allocated	14·3	14·6	14·6	14·9	14·9	12·6	18·5	19·7	22·3	23·7	21·0	19·0	18·2	19·0	16·0	1,480	8,720
Other current account revenue	13·6	14·1	14·3	14·3	14·2	14·0	13·3	14·0	15·0	14·3	13·8	13·4	13·8	13·0	11·6	1,400	6,310
Public sector borrowing requirement	6·8	5·0	7·1	7·8	8·5	6·3	10·6	6·7	—2·4	—0·1	5·6	7·5	12·9	15·2	19·2	700	10,480
Other capital account revenue	1·7	1·2	1·5	1·8	—0·2	1·6	—	0·5	1·6	—1·8	—2·7	0·7	—0·8	1·9	—0·3	180	—180
Total revenue	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	100·0	10,310	54,470
Actual total revenue (£million)	10,310	11,010	11,666	12,760	14,140	15,317	17,520	19,110	19,780	21,870	24,330	27,380	32,320	41,930	54,470		

Source: National Income and Expenditure Blue Books 1972 to 1965–75

* Allocated taxes comprises those sources of public sector receipts which have been allocated to households in the annual redistribution of income analysis.

† Unallocated taxes includes the taxes on expenditure not allocated to consumers' expenditure, as well as a proportion of employers' contributions to National Insurance.

closely at their incidence. Articles on the incidence of taxes and social service benefits have been published in *Economic Trends* since the early sixties (most recently in December 1976) and over the period 1961 to 1975 which the articles cover, a number of broad trends can be discerned: it is the purpose of this article to highlight these trends by bringing together the data from all fifteen years.

The methodology of the redistribution analysis

The framework used is that described in *Economic Trends* December 1976, (which represented, in certain respects, a departure from the framework used for the years 1961-1973). The starting point is original income, that is income in cash and kind of all members of the household before the deduction of taxes or the addition of any state benefits[4]. Since substantial numbers of households, particularly those of elderly people, have original incomes which are very small or zero, using original income as a starting point is not equivalent to saying that this would be the situation in the absence of any government benefits and taxes. The diagram below illustrates the framework that will be followed:

Original income
Plus benefits in cash
↓
Original income *plus* benefits in cash
Minus direct taxes
↓
Net disposable income
Minus indirect taxes *plus* indirect benefits
↓
Income after all taxes and transfers
Plus benefits in kind
↓
Final income

This presentation represents current practice. In the past benefits in kind have formed part of the third stage, resulting in a distinct stage called 'Income after direct taxes and benefits'.

The analyses on which this article is based did not attempt to measure the incidence of all public expenditure or to allocate the whole of the revenue of the public sector to households[5]. In fact, on average for each year, only about a third of total public expenditure and about half total public receipts are in the categories which can be directly allocated to households. In 1961, for example, 33 per cent of total public expenditure was allocated, whereas in 1975 the proportion was 40 per cent. For each year allocated taxes as a proportion of public sector receipts exceeded allocated benefits as a proportion of public expenditure, and therefore on average households are shown as paying more in taxes than they receive in benefits. This difference between the two however has tended to decrease over the years, since the proportion of benefits allocated has tended to rise while the proportion of revenue allocated has fallen considerably, from 63·6 per cent in 1961 to 53·5 per cent in 1975.

It has been argued[6] that this lack of a balanced social budget approach (where taxes allocated balance benefits received) misrepresents the amount of redistribution. However, in an analysis over time, where households pay varying amounts of their income in taxes, and where an increasing proportion of public expenditure is being spent on social and environmental services, it is considered that a non-balanced approach will provide a more realistic reflection of the changes which actually affect households' incomes.

The analyses presented annually in *Economic Trends* use information obtained from private households co-operating in the Family Expenditure Survey (FES)[7]. The information is used to estimate the sum of incomes in cash and kind for each household in terms of both 'original income' (before the deduction of taxes and addition of state benefits included in the analysis) and 'final income' (after these adjustments have been made). Detailed descriptions of the methodology and any changes made have been published regularly in the *Economic Trends* articles, and will only be elaborated on in this article where they are felt to affect radically the interpretation of the estimates.

The estimates for the earlier years (1961-1967) must be treated with a certain amount of caution, mainly because the size of the sample on which the figures are based was considerably smaller. In this article quantile points are used as a rough indication of inequality at the first and last stages of the income distribution. No attempt has been made to employ any other summary measures of inequality in analysing the results.

A summary of the broad results for 1961 to 1973 can be found in an article by M Semple in *Economic Trends* December 1975[8]. This shows that changes in household composition over the period were a significant factor in explaining some of the changes in the redistribution of income, and in particular demonstrates that as the proportion of pensioner households in the population has increased, so more redistribution has taken place. The next sections analyse the trends in the incidence of individual taxes and benefits in more detail, in the light of this increasing redistribution.

Table 1 in the Appendix provides much of the basic data from which figures given later in the article are derived. The data have been adjusted to take account of the changes in dealing with national insurance contributions and private schools (see footnotes to Table 1 in the Appendix).

[4] Income in cash includes earned income, income from investment, and private pensions. Income in kind includes an income imputed to owner-occupiers based on the rateable value of their dwelling, and the value of concessions on items such as miners' coal. Capital gains, and certain types of income in kind are excluded. The estimates are intended to relate to the annual rate of income at the time of the Family Expenditure Survey interview. Between 1961 and 1969 original income included the contributions of employers to national insurance. These contributions were then treated as a direct tax on the household's income. This practice was discontinued in 1969 when original income was redefined to exclude employers' contributions, which were accordingly treated as an indirect tax on intermediate goods and services. A rough adjustment has been made to pre-1969 data to correspond with current practice.

[5] The procedures and allocation criteria used have been outlined in previous articles, in particular *Economic Trends* December 1974 and December 1976. No attempt has been made to measure secondary effects: for example changes in indirect taxes on final goods and services are either paid in full by the consumer or assumed to be fully incident on the consumer.

[6] See, for example, A Peacock and R Shannon 'The Welfare State and the redistribution of income' *Westminster Bank Review* August 1968.

[7] The survey is described in: Department of Employment: *Family Expenditure Survey 1975*, (HMSO 1976). See also W F F Kemsley: *Family Expenditure Survey: Handbook on the Sample, Field work and Coding Procedures*, (HMSO 1969).

[8] M Semple 'The effect of changes in household composition on the distribution of income 1961-1973' *Economic Trends*, No. 266 December 1975 (HMSO).

Original income and the incidence of cash benefits

There are of course a large number of demographic, social and economic factors which affect both the distribution of original income and the first stage of redistribution brought about by households receiving benefits in cash. These are not evaluated in any systematic way in this article, but it is likely that both the increase in the proportion of old people in the population, and the changes in the levels of unemployment in the country, will have a significant impact on the numbers of households receiving most of their income from the state. The first factor, which is much the more important one, is brought out by the fact that the single person pensioner households[9] in the FES increased from 4·6 per cent to 7·2 per cent of the total number of households between 1961 and 1975, while the two person pensioner households increased from 2·8 per cent to 4·1 per cent. This rise has been relatively constant and gradual, whereas the numbers receiving unemployment benefit has been subject to considerable fluctuations from year to year. The main rises in unemployment in the period were in 1966-7, 1971-2 and 1975. The amounts received in cash benefits vary not only according to the numbers receiving the benefits, but also the levels at which the benefits are paid, and it is worth noting changes in these. In April 1961 the standard rate of retirement pension for a husband and wife on his insurance was £4 12s 6d, which had risen to £21·20 by November 1975. These pensions were equivalent to 35·8 per cent and 50·6 per cent of the net income[10] of a married couple with the husband on average full-time manual earnings in 1961 and 1975 respectively. Although subject to some fluctuation over the period an increase has also taken place for the standard rate of unemployment benefit (35·8 per cent to 43·0 per cent).

In 1961 cash benefits consisted of family allowances, national insurance benefits (pensions; sickness, unemployment, injury, maternity, death benefits, etc.), non-contributory old age pensions, and national assistance grants. Subsequently some of the nomenclature has been changed but the coverage is still essentially the same, except that in 1971 the family income supplement (FIS) was introduced. However in terms of total benefits in cash FIS is relatively small (less than £12 million in 1975), and does not change the overall picture very much.

The net effect of these trends is that cash benefits in 1975 as a percentage formed a far larger proportion of original income *plus* cash benefits than they did in 1961. Chart I indicates that this was true up to the top half of the distribution of original income.

The incidence of direct taxes

The increase in public spending has been financed in part by an increase in the proportion of household income paid in personal income tax. This came about through an increase in the lowest rate of tax paid and a fall in the real income level at which tax became payable. The rates of tax in the reduced rate bands, which were part of the tax structure up to 1970, were gradually increased over the period and finally withdrawn in 1970/71. Moreover the real value of tax allowances declined considerably. Thus although the standard rate of tax fluctuated markedly, and over the whole period in fact decreased from 39 per cent to 35 per cent, (when earned income relief, withdrawn in 1973/4, is taken into account), personal taxes as a proportion of household income rose significantly. However the increase in the proportion of pensioner households has led to a rise in the proportion of households having low taxable incomes and therefore paying little or no tax. Thus the bottom quintile of households ranked by original income paid a lower proportion of their income in personal direct taxes in 1975 than in 1961. Chart II shows the net effect of these changes.

The annual analyses do not make separate estimates of the effects of the various income tax allowances and reliefs which are some of the factors affecting the difference between marginal and average rates of tax paid. From the third decile onwards the average rate of income tax has increased substantially, and so for households in the Family Expenditure Survey the degree of income tax progression is most marked in the second and third deciles.

Table C is based on the data shown in the Appendix. It shows that the increase in the burden of personal direct taxation has not been the same for all household types. This may reflect changes in the pre-tax distribution of household income between household types, for example because of the growing participation of married women in the labour force, as well as changing levels of benefits, tax allowances and reliefs. Between 1961 and 1969 the proportion of income paid in direct tax rose from 12·7 per cent to 18·1 per cent for households comprising one non-pensioner adult, but only from 8·9 per cent to 10·9 per cent for households with two adults and four children. However for the period 1969 to 1975 the trend was reversed: the proportion for households with children rose at a much faster rate than that for households without children. Over the period as a whole households with two adults and two children were subject to the greatest increase (from 9·3 per cent to 20·0 per cent).

[9] Pensioner households are defined as those where more than three quarters of the household income consists of national insurance retirement or similar pensions, or supplementary allowances supplementing such pensions.

[10] Net income is based on the Department of Employment's annual enquiry of earnings of manual workers in manufacturing and certain other industries after the addition of family allowances and deduction of personal income tax and employees' national insurance contributions.

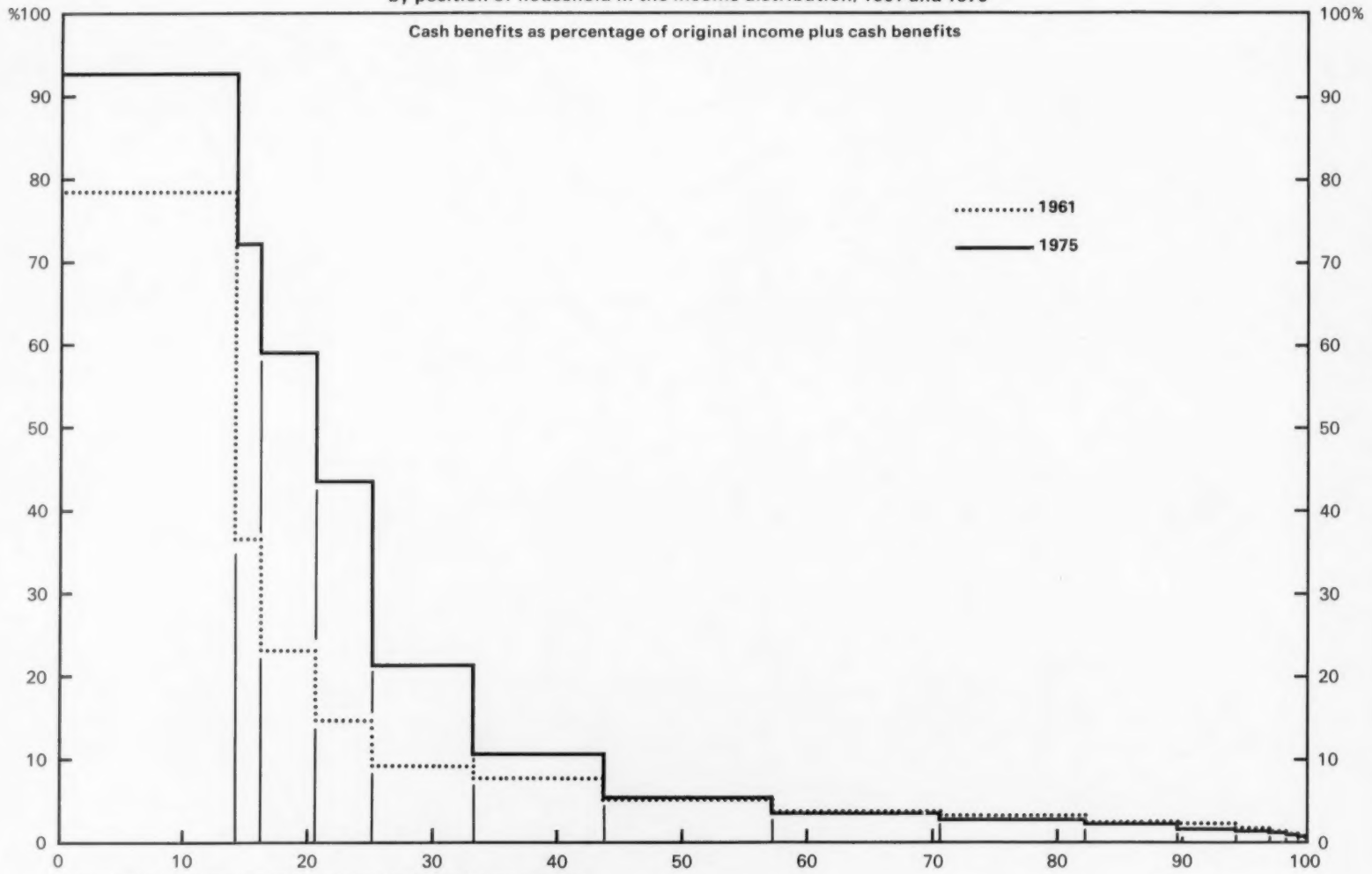
Direct taxes as a percentage of original income and cash benefits 1961-1975

TABLE C

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
1 adult non-pensioner	12·7	13·4	15·3	16·9	15·5	16·1	17·2	16·2	18·1	17·8	17·9	16·0	16·3	17·5	19·4
2 adults non-pensioner	12·2	15·7	14·0	15·7	14·5	16·2	16·8	15·9	17·6	18·3	18·6	16·7	17·4	18·7	21·5
2 adults 2 children	9·3	10·1	9·8	9·8	10·2	12·8	12·8	12·8	14·3	15·2	14·4	14·3	15·3	16·5	20·0
2 adults 4 children	8·9	6·9	7·4	8·2	8·4	8·7	7·9	10·5	10·9	13·2	13·0	12·3	12·4	12·5	14·8
All households in sample	11·3	12·5	12·1	12·8	12·7	13·9	14·7	13·9	15·4	16·2	16·1	15·0	15·6	16·8	19·9

CHART I

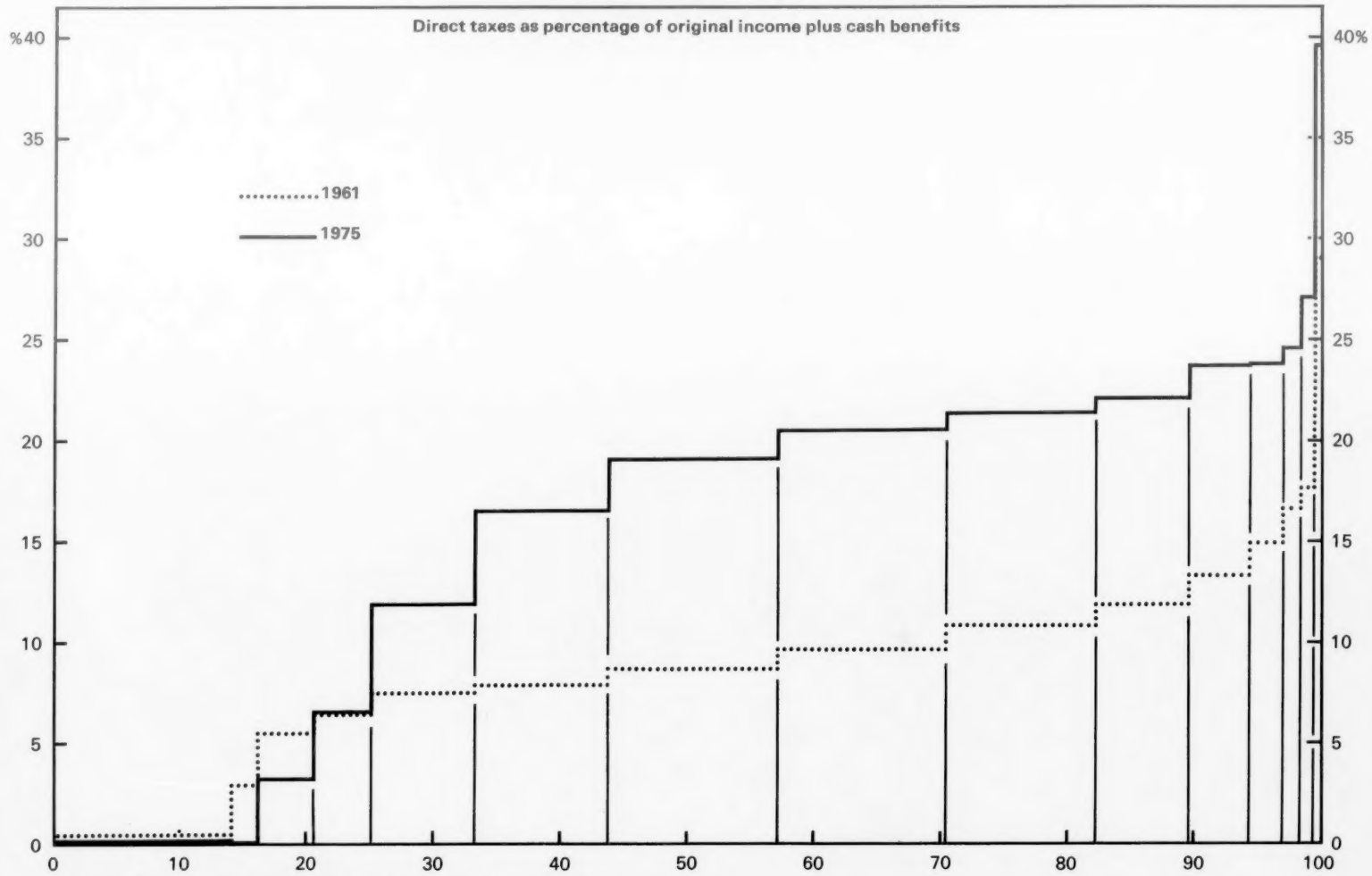
The incidence of cash benefits on household incomes, by position of household in the income distribution, 1961 and 1975



Households have been ranked by original income and then grouped.
The horizontal axis represents the size and position of the group, in percentile points, in the distribution

CHART II

The incidence of direct taxes on household incomes, by position of household in the income distribution, 1961 and 1975



Households have been ranked by original income and then grouped.
The horizontal axis represents the size and position of the group, in percentile points, in the distribution

Disposable income and the incidence of indirect taxes

Between 1961 and 1975 average disposable income for pensioners (one and two adult pensioner households) increased at an average of 10·8 per cent per year, while non-pensioner disposable incomes rose at the slower rate of 9·4 per cent. However, because in 1975 a greater proportion of the sample was composed of pensioner households, who generally have lower disposable incomes than the rest of the population, the average for all households in the samples rose at the much slower rate of 8·8 per cent per year. In real terms this is an increase of 1·5 per cent per year, compared with 3·3 per cent per year for the pensioners (using appropriate price indices).

Indirect taxes are paid out of a household's disposable income; in the past they have been divided into two groups, those on intermediate goods and services and those on final goods and services. Over the period both groups have been subject to considerable changes in composition and treatment, for example, the introduction of rate rebates in 1967 on the amount of rates paid and the introduction of VAT in 1973 into the list of taxes on final goods and services, and the introduction in 1966 and abandonment in 1973 of SET in the list of taxes on intermediate goods and services. However the (above mentioned) change in treatment of employers' national insurance contributions which were treated as an indirect tax after 1969 has been taken into account. This article will therefore concentrate on the changes in the incidence of indirect taxes as a group and on one or two selected taxes such as those on tobacco and alcohol.

The proportion of disposable income paid in indirect taxes has changed very little. As already noted, the trend has been for indirect taxes to form a smaller proportion of public sector receipts over the period. So that while personal direct taxes have decreased as a proportion of total public sector receipts, indirect taxes have decreased still faster, especially since 1969. Thus indirect taxes decreased from 24·1 per cent of disposable income for all households in the sample in 1969 to 20·5 per cent for 1975, having been 19·3 per cent in 1961.

Taxes paid on tobacco have decreased as a percentage of disposable income, and also as a proportion of all indirect taxes. This is chiefly the result of a decrease in the proportion of tax in the price of tobacco, combined with a slight decrease in tobacco consumption. The amount of tax charged on alcohol has risen in line with the increase in the price of alcohol.

If different taxes – direct and indirect – are to be considered as part of an overall taxation policy they must be looked at not only separately but as a whole. There are various definitions of income to which taxes could be related; in this article we have taken income including cash benefits. This means relating indirect taxes to an earlier stage of redistribution rather than to disposable income. Changing the definition of income on which the distribution of the tax is measured can change the conclusion about whether one particular group of households pays a higher proportion of its income in tax than another group; for example, using original income instead of disposable income would suggest that pensioners pay a far higher proportion of their income in indirect taxes. Thus care must be exercised in drawing conclusions about the changes in the incidence of taxation.

The most interesting changes in the overall level of taxation have taken place since 1969, for although between 1969 and 1975 public expenditure, expressed as a proportion of GDP rose from 50 per cent to 58 per cent, total taxes fell as a proportion of GDP from 43·0 per cent in 1969 to 40·6 per cent in 1975. Table D shows that households on average in the FES paid 35·8 per cent of their income in allocated taxes in 1969, and 36·3 per cent in 1975. This contrasts with the change for 1961 to 1975 as a whole, where taxes have risen from 28·4 per cent to 36·3 per cent of household income.

As noted above these trends have an impact on the PSBR. Thus, between 1969 and 1975, the share of public expenditure in GDP rose by 8·4 per cent, while the share of the PSBR rose by 12·5 per cent, reflecting a decline in the share of total taxation in GDP of 2·4 per cent.

Indirect benefits

Indirect benefits, which in 1975 consisted of housing and food subsidies, form only a small part of the redistributed income. It is noticeable that the general level of benefit has risen considerably, due partly to the introduction of food subsidies in 1974. All the same although changes in both methodology and coverage have resulted in difficulties in comparing different years, the incidence of these benefits does not appear to have shifted significantly (see Table 1).

Direct benefits in kind

Following the recent change in presentation benefits in kind now form part of the final stage of redistribution. They consist primarily of benefits from health and education

Direct and indirect taxes as a percentage of original income and cash benefits 1961-1975

TABLE D

	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
1 adult pensioner	20·2	19·3	19·6	20·2	20·6	21·2	22·7	21·7	21·0	20·2	20·1	18·9	18·8	18·3	17·4
1 adult non-pensioner	28·7	29·8	31·1	33·2	32·7	32·0	35·4	34·3	36·5	36·8	35·1	33·2	32·5	33·8	35·1
2 adult pensioners	22·8	22·6	21·9	23·3	25·5	23·2	24·7	26·5	25·0	24·3	24·7	23·7	20·8	21·7	20·1
2 adult non-pensioners	29·0	32·1	30·4	32·1	32·9	33·9	35·6	35·5	37·6	37·6	36·5	34·5	33·7	34·8	36·9
2 adults 2 children	26·5	26·2	26·5	28·2	29·5	31·2	32·1	32·0	33·5	34·9	32·3	32·3	32·1	33·0	36·4
2 adults 4 children	24·7	24·2	24·1	25·9	28·7	30·6	29·2	32·3	31·4	34·5	32·7	31·9	29·8	29·1	32·5
All households in sample	28·4	29·2	29·0	30·4	31·7	32·7	34·1	34·1	35·8	36·2	34·6	33·2	32·5	33·6	36·3

Health and education benefits by household type, 1961 and 1975

TABLE E

	Households without children						Households with children				
	1 adult		2 adults				2 adults				
	Pensioner	Non-pensioner	Pensioner	Non-pensioner	3 adults	4 adults	1 child	2 children	3 children	4 children	All households
NHS benefit (£ *per annum*)											
1961	39	22	56	33	47	58	34	42	52	60	42
1975	156	108	306	188	250	288	277	243	277	317	220
Average growth rate (*percentage per annum*) ..	10	12	13	13	13	12	16	13	13	13	13
Education benefit (£ *per annum*)											
1961	—	1	—	2	13	9	40	83	143	160	43
1975	—	38	3	22	153	287	176	432	796	1,154	258
Average Growth Rate (*percentage per annum*) ..		30		19	19	28	11	13	13	15	14

services, and therefore the level of benefits is more closely related to household composition than to household income. In addition, they are allocated by age and sex rather than income; thus, although households with higher incomes tend to receive a higher absolute level of benefit, because they tend to be larger households, the benefits form a greater proportion of the final income of households with lower incomes.

In the area of health services the value of benefit increased between 1961 and 1975 by an average of 13 per cent per year. However, as Table E shows, the increase was by no means uniform, with households containing only adults receiving a smaller increase, because expenditure on services for households with children rose more rapidly. Nevertheless, because older people on average receive greater benefit from the health services, and because of the rise in the numbers of elderly persons in the population, the pensioner households continued to receive a large share of these benefits.

One interesting change in the incidence of benefits from education occurred among households without children, that is in the field of adult education. Although in absolute terms this is still a small proportion of the total benefits from education, there was an expansion of further education during the period which is reflected in the figures in Table E.

Income after all taxes and benefits (Final income)

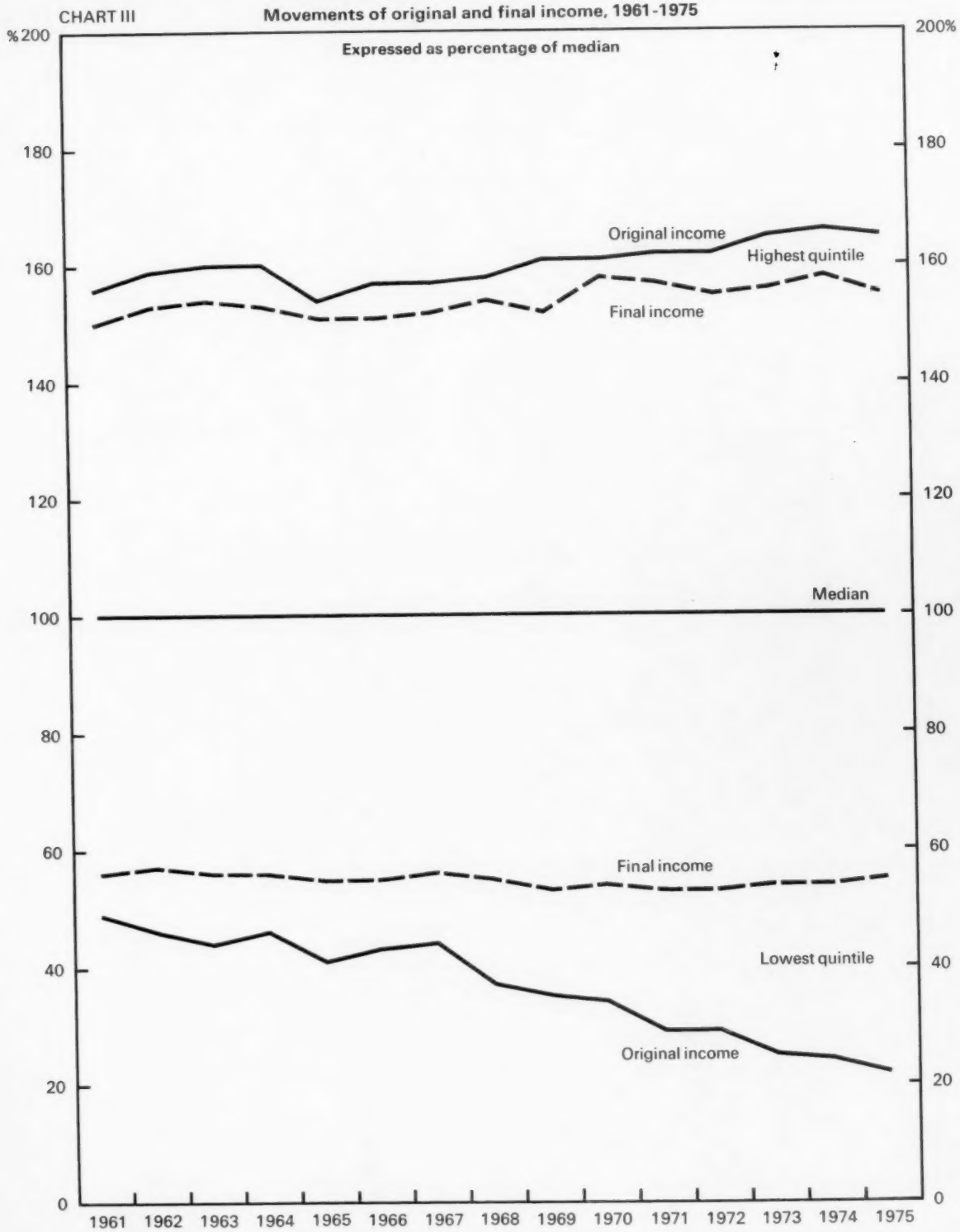
The net effect of all these adjustments is to make final income more equally distributed than original income. However, although there are variations over the years, particularly for the upper ranges of income, there is no significant trend either towards or away from more equality, the net effect being a distribution very similar in 1975 to that in 1961. As Semple has shown, when the distribution is adjusted to account for changes in the composition of households the small apparent increase in inequality disappears almost entirely. The main change to note (see Chart III) is that although original income was less evenly distributed in 1975, the inequality of final income has hardly changed[11], indicating that increased redistribution has compensated for the trend towards inequality of original incomes.

Summary and conclusions

The main changes between 1961 and 1975 in the incidence of taxes and benefits on household incomes result from two principal sources. The first is the demographic effect of an ageing and increasingly retired population. The second is the dramatic increases in public expenditure, particularly on social benefits (especially housing, education and personal social services); these have been financed by an increase in taxes over the period as a whole, and in recent years by an increase in the PSBR. The increases in the amount redistributed in the form of transfer payments to those households with relatively low original incomes has compensated for the increasing number of such households, and has meant that the distribution of income after all the different taxes and benefits have been taken into account, has not shown any great change between 1961 and 1975.

[11] The figures for the distribution of income shown in the National Income Blue Book differ from those shown here. Among the reasons for the difference is that the Blue Book data are based on tax-units and do not take into account taxes on expenditure, indirect benefits or benefits in kind.

CHART III **Movements of original and final income, 1961-1975**



APPENDIX

Average incomes, taxes and benefits for selected household types 1961-1975

TABLE 1

	£ per year														
	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
All households															
Number of households in the FES	3,486	3,594	3,415	3,244	3,392	3,274	7,386	7,184	7,008	6,393	7,239	7,017	7,126	6,695	7,203
Original income	960	998	1,056	1,129	1,172	1,301	1,347	1,401	1,519	1,656	1,802	1,997	2,309	2,719	3,386
Direct benefits in cash:															
Family allowance	9	9	9	10	9	9	10	16	21	22	21	21	19	20	28
Pensions[1]	51	53	59	62	79	79	78	100	104	102	114	132	168	209	261
Other cash benefits[2]	19	21	24	26	25	31	41	33	35	49	55	66	59	67	89
Original income and cash benefits	1,039	1,081	1,148	1,227	1,285	1,420	1,476	1,550	1,679	1,829	1,992	2,216	2,555	3,017	3,763
Direct taxes:															
Income tax and surtax	85	101	101	116	120	150	167	164	204	233	254	253	309	402	617
Employees' contributions	32	34	38	41	43	48	50	52	54	63	67	79	90	105	130
Disposable income	922	946	1,009	1,070	1,122	1,222	1,259	1,334	1,421	1,533	1,671	1,884	2,156	2,509	3,016
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	21	32
Housing subsidies	9	9	8	5	10	9	11	9	13	15	20	29	38	57	77
Indirect taxes (−)	178	181	194	216	244	266	287	312	343	366	369	403	431	507	619
Income after taxes and transfers	753	774	823	859	883	965	982	1,031	1,091	1,182	1,322	1,510	1,763	2,080	2,506
Direct benefits in kind:															
Education	43	51	54	60	68	72	77	85	92	104	119	136	150	208	258
NHS, welfare foods	48	47	50	56	61	68	75	78	87	97	104	117	138	166	236
Final income[3]	844	872	927	974	1,016	1,105	1,134	1,194	1,271	1,383	1,544	1,764	2,051	2,454	3,000
One adult pensioner[4] household															
Number of households in the FES	162	172	168	167	187	144	366	396	391	380	419	441	447	444	518
Original income	14	18	15	13	17	19	24	20	24	25	30	32	31	40	52
Direct benefits in cash:															
Family allowance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pensions[1,5]	148	154	162	170	204	208	219	317	343	260	279	334	373	477	604
Other cash benefits[2]	36	35	42	50	46	61	78			101	113	111	117	145	191
Original income and cash benefits	198	207	219	233	267	288	322	337	367	386	422	477	521	662	847
Direct taxes:															
Income tax and surtax	—	1	—	—	—	—	—	—	—	—	1	—	—	1	1
Employees' contributions	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Disposable income	198	205	219	233	267	288	321	336	367	386	421	477	521	661	846
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	10	15
Housing subsidies	8	10	9	9	12	8	12	11	17	17	24	28	84	88	111
Indirect taxes (−)	40	39	43	47	55	61	73	73	77	78	84	90	98	120	146
Income after taxes and transfers	166	177	185	195	224	235	260	274	307	324	361	414	507	639	826
Direct benefits in kind:															
Education	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
NHS, welfare foods	39	28	28	30	33	35	38	42	47	55	69	84	99	109	156
Final income	206	205	213	225	257	270	299	316	355	378	430	498	606	748	982

[1] National Insurance, retirement and widows' pensions, including supplementary allowances where these are not separately distinguished, war and disability pensions, and invalidity pensions and allowances.
[2] Including supplementary allowances where separately distinguished.
[3] Final Income excludes benefit for private education which had previously been allocated up to 1969.
[4] Pensioner households are defined as those where more than three quarters of the household income consists of National Insurance retirement or similar pensions, or supplementary allowances supplementing such pensions.
[5] Pensions were not separately indentified in 1968 and 1969 for one and two adult pensioner households.

Average incomes, taxes and benefits for selected household types 1961-1975

TABLE 1 (*continued*)

	£ per year														
	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
One adult non-pensioner[4] household															
Number of households in the FES ..	332	321	302	310	367	315	724	765	735	681	829	753	903	811	924
Original income	458	448	561	655	625	623	730	730	769	859	907	1,055	1,149	1,419	1,724
Direct benefits in cash:															
Family allowance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pensions[1]	58	65	71	72	96	102	99	117	130	129	144	161	205	247	333
Other cash benefits[2]	11	11	14	14	15	15	19	17	19	25	30	34	27	36	49
Original income and cash benefits	527	524	646	741	736	740	848	864	918	1,013	1,081	1,250	1,383	1,702	2,107
Direct taxes:															
Income tax and surtax	54	57	84	110	98	103	125	120	146	155	166	167	190	254	352
Employees' contributions ..	13	13	15	15	16	16	21	20	20	25	27	33	35	44	51
Disposable income	461	454	547	616	622	621	702	724	752	833	888	1,049	1,158	1,404	1,699
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	9	14
Housing subsidies	6	6	5	2	5	6	7	4	11	8	18	21	28	38	67
Indirect taxes (−)	84	86	102	121	127	118	154	156	169	193	186	215	224	277	331
Income after taxes and transfers ..	383	374	450	497	500	509	555	572	593	648	720	855	962	1,174	1,449
Direct benefits in kind:															
Education	1	4	2	6	7	—	7	7	18	18	15	9	28	53	38
NHS, welfare foods	22	20	19	21	24	26	27	30	36	40	49	54	68	75	108
Final income[3]	406	398	471	523	531	535	589	609	647	705	784	919	1,058	1,301	1,594
Two adults pensioner[4] household															
Number of households in the FES ..	96	107	119	88	116	116	209	230	241	210	247	239	254	273	295
Original income	33	40	45	43	43	45	53	54	51	67	55	68	80	103	133
Direct benefits in cash:															
Family allowance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1
Pensions[1,5]	257	272	308	316	361	376	387	484	501	474	500	571	681	849	1,079
Other cash benefits[2]	27	25	23	27	32	35	63			69	85	82	77	92	103
Original income and cash benefits	320	337	375	386	436	457	503	539	553	610	640	721	838	1,044	1,316
Direct taxes:															
Income tax and surtax	—	—	—	—	1	1	—	1	1	2	2	1	1	2	2
Employees' contributions ..	1	—	—	1	—	—	—	—	—	—	—	1	—	—	—
Disposable income	319	337	375	385	435	456	502	538	552	608	638	719	837	1,041	1,314
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	16	23
Housing subsidies	7	9	10	8	14	14	10	11	19	16	23	40	84	112	159
Indirect taxes (−)	72	76	82	89	110	105	124	142	137	146	156	169	173	225	262
Income after taxes and transfers ..	254	270	304	304	340	365	388	407	434	479	505	589	748	944	1,234
Direct benefits in kind:															
Education	—	—	—	—	—	—	1	3	—	—	—	—	4	5	3
NHS, welfare foods	56	59	57	61	67	71	78	84	99	114	141	163	194	210	306
Final income[3]	10	329	360	366	407	436	467	494	533	593	646	752	946	1,159	1,543

For footnotes see page 107.

Average incomes, taxes and benefits for selected household types 1961-1975

TABLE 1 (*continued*)

	£ per year														
	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Two adults non-pensioner[4] household															
Number of households in the FES	927	945	875	820	886	879	2,023	1,887	1,907	1,716	1,998	1,901	1,998	1,907	1,901
Original income	905	951	998	1,104	1,133	1,233	1,303	1,344	1,516	1,675	1,847	2,007	2,366	2,831	3,594
Direct benefits in cash:															
Family allowance	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Pensions[1]	61	63	64	76	88	91	92	114	110	123	132	160	201	246	301
Other cash benefits[2]	15	19	20	18	20	28	31	30	29	34	36	50	35	37	47
Original income and cash benefits	981	1,033	1,082	1,199	1,242	1,352	1,426	1,489	1,655	1,832	2,015	2,217	2,601	3,114	3,943
Direct taxes:															
Income tax and surtax	93	132	118	152	141	176	194	188	240	276	308	296	365	474	714
Employees' contributions	27	30	33	36	39	43	45	49	51	60	66	75	88	107	133
Disposable income	861	871	932	1,010	1,061	1,133	1,187	1,252	1,364	1,496	1,642	1,846	2,149	2,534	3,096
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	17	26
Housing subsidies	5	6	5	4	7	7	9	8	10	11	16	22	28	45	60
Indirect taxes (−)	164	170	178	197	228	238	269	292	331	352	362	394	423	503	608
Income after taxes and transfers	703	707	759	816	840	900	927	968	1,043	1,154	1,296	1,473	1,754	2,093	2,574
Direct benefits in kind:															
Education	2	4	3	3	2	7	8	15	13	11	24	18	30	20	22
NHS, welfare foods	33	34	33	36	41	44	50	54	64	73	85	97	117	133	188
Final income[3]	737	745	795	856	883	951	985	1,037	1,119	1,239	1,404	1,588	1,901	2,246	2,783
Two adults, two children household															
Number of households in the FES	372	372	352	327	352	348	852	825	855	800	846	844	787	808	928
Original income	1,026	1,063	1,181	1,213	1,245	1,467	1,502	1,591	1,762	1,897	2,108	2,388	2,755	3,293	4,039
Direct benefits in cash:															
Family allowance	19	19	18	19	19	19	20	35	47	46	46	46	45	46	68
Pensions[1]	5	5	7	5	10	2	5	8	6	7	7	7	8	15	18
Other cash benefits[2]	9	14	18	16	17	17	24	28	32	33	35	42	35	41	58
Original income and cash benefits	1,060	1,101	1,224	1,252	1,290	1,505	1,551	1,662	1,847	1,983	2,196	2,483	2,843	3,395	4,182
Direct taxes:															
Income tax and surtax	66	75	80	81	86	143	147	157	206	230	241	261	322	426	675
Employees' contributions	33	36	40	42	45	50	52	55	58	71	76	94	112	134	162
Disposable income	960	990	1,104	1,129	1,159	1,312	1,352	1,450	1,582	1,682	1,879	2,128	2,409	2,834	3,345
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	27	40
Housing subsidies	11	10	10	5	12	11	8	6	11	15	15	25	27	45	55
Indirect taxes (−)	182	178	204	230	250	276	299	320	355	391	393	446	480	561	686
Income after taxes and transfers	790	822	910	904	921	1,047	1,061	1,136	1,238	1,306	1,501	1,707	1,956	2,345	2,754
Direct benefits in kind:															
Education	83	97	99	95	112	117	127	124	137	148	169	205	227	327	432
NHS, welfare foods	55	56	65	69	78	86	98	98	99	115	111	123	148	192	275
Final income[3]	928	975	1,074	1,068	1,110	1,250	1,286	1,358	1,473	1,568	1,780	2,034	2,332	2,865	3,461

For footnotes see page 107.

Average incomes, taxes and benefits for selected household types, 1961-1975

TABLE 1 (*continued*)

	£ per year														
	1961	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975
Two adults, four children household															
Number of households in the FES	59	71	64	52	62	52	161	135	133	96	121	134	117	117	107
Original income	1,030	939	1,010	1,136	1,219	1,265	1,284	1,506	1,638	1,724	2,097	2,142	2,652	3,275	3,594
Direct benefits in cash:															
Family allowance	69	71	71	71	71	72	73	123	148	144	148	148	149	147	205
Pensions[1]	4	12	8	3	11	1	9	20	4	5	3	9	38	22	15
Other cash benefits[2]	20	35	30	23	37	25	71	52	64	93	56	116	109	141	147
Original income and cash benefits	1,124	1,057	1,119	1,234	1,338	1,364	1,437	1,701	1,853	1,966	2,304	2,415	2,948	3,585	3,960
Direct taxes:															
Income tax and surtax	67	40	45	59	65	69	63	127	147	196	227	209	267	331	452
Employees' contributions	33	33	38	42	47	49	51	52	55	63	72	87	99	116	133
Disposable income	1,023	984	1,034	1,133	1,227	1,246	1,323	1,521	1,651	1,707	2,005	2,119	2,581	3,139	3,374
Indirect benefits (+):															
Food subsidies	—	—	—	—	—	—	—	—	—	—	—	—	—	42	55
Housing subsidies	18	16	15	8	22	18	16	13	18	34	18	50	63	72	152
Indirect taxes (−)	178	183	187	219	272	299	305	371	379	419	454	475	513	598	702
Income after taxes and transfers	864	817	862	922	977	964	1,034	1,163	1,290	1,322	1,569	1,694	2,131	2,654	2,878
Direct benefits in kind:															
Education	160	206	199	194	236	281	284	286	319	374	412	491	563	760	1,154
NHS, welfare foods	84	86	100	116	121	135	148	154	152	167	157	190	228	291	400
Final income[3]	1,108	1,109	1,161	1,231	1,334	1,380	1,466	1,603	1,760	1,863	2,138	2,375	2,922	3,705	4,432

For footnotes see page 107.

Round-up: what's new in economic statistics

Department of Employment Gazette

The leading article in the January issue of the *Department of Employment Gazette* commemorates the creation of the first Ministry of Labour. Also featured are two manpower planning articles, dealing with shortages of bus drivers and draughtsmen and the variety of response to this problem by their employers; and 'quit votes' in London's private sector.

Amongst the statistical features are the latest quarterly employment estimates and review of trends; and an article on low pay and changes in earnings, which looks particularly at the extent to which earnings changes are associated with job changes. The January *Gazette* also contains a summary of the Advisory conciliation and arbitration service evidence to the Royal Commission on the Press; an outline of the recent white papers on International labour office conventions and recommendations; and a short profile of the next Secretary of Labour in the United States.

United Kingdom exports; invoicing in foreign trade

A report in the 7 January issue of *Trade and Industry* gives information on how much of the United Kingdom's overseas trade is invoiced in foreign currencies. Tables give breakdowns of exports by commodity group and in terms of markets.

New Earnings Survey 1976

The publication of the six-part booklet giving the detailed results of the New Earnings Survey 1976 will be completed when Part F becomes available in mid-March. The main contents of the six parts are:

Part A General results; streamlined analyses of key results by collective agreement, industry, occupation, age and region. Descriptions of the survey methods, classifications, terminology etc.

Part B Earnings and hours of particular wage-negotiation groups.

Part C Earnings and hours in particular industries.

Part D Earnings and hours in particular occupations.

Part E Earnings and hours in regions, counties and age-groups.

Part F Hours; earnings by length of service; and earnings and hours of part-time women workers.

New publications

A study of nationalized industries. Background paper 3 (NEDO £3.00)

This report, the third background paper to NEDO's study of the nationalised industries, examines the output, investment and productivity of nine UK industries, it finds that the diverse environments in which the corporations operate are reflected in the trends. British Airways and Post Office telecommunications use a modern changing technology and British Gas has changed with the development of north sea gas. In all these industries output grew much faster than the rate for all manufacturing industry. The output for the electricity industry also grew faster until 1970 when its growth was held back by the slow growth of the economy. All the other corporations examined had basically static or declining output, especially the National Coal Board, between 1964 and 1970 when pits were closed at a rapid rate.

Index of sources

Data given on page 5 may be more recent than that shown elsewhere in the publication.

United Kingdom balance of payments; National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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